DESTINATION RESORT PLAN

SLAVE LAKE

MARCH, 1989

Alberta
TOURISM

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Alberta
TOURISM

Office of the Deputy Minister

18th Floor, 10025 Jasper Avenue, Edmonton, Alberta, Canada T5J 3Z3 Telex 037-3651 403/427-4368

TO WHOM IT MAY CONCERN

The Government of Alberta recognizes that tourism is a major economic factor in the Province. In an attempt to capitalize upon the increasing growth of tourism, a series of potential tourism generator projects have been identified.

The following consultant's report identifies and examines potential tourism generator projects in the Lesser Slave Lake area. This Tourism Destination Resort Plan reviews the impact and relationship of these tourism generators to local and regional tourism frameworks. The plan assesses existing tourism resources, potential tourism markets, regional requirements and opportunities, economic impacts and the potential roles of various participating sectors.

It should be noted that this study was conducted by an independent consultant commissioned by Alberta Tourism and does not represent government policy nor any commitment to implementation at this time.

If you have any comments relative to the report please forward them to:

Regional Planning Unit
Destination Planning Branch
16th Floor, 10025 - Jasper Ave.
Edmonton, Alberta
T5J 3Z3

Additional copies of the report are available by contacting the above address, or by telephoning 427-2501.

Sincerely,

Bernard F. Campbell
Deputy Minister

ACKNOWLEDGEMENTS

This Destination Resort Plan was produced in March, 1989 for the Alberta Department of Tourism. It is an advisory report and does not necessarily represent the policies or opinions of that department.

The report was prepared by the Equus Consulting Group Inc. in association with EDA Collaborative Inc.. The project team included:

Bill McMillan, manager and senior planner
Anne Holtz, planner
Dr. James Dunn, senior marketing specialist
Burn Evans, marketing and research specialist
Ted Muller, landscape architect
Don McIntyre, landscape architect
Dick Meanwell, C.A., feasibility analyst
Yvonne Spanton, research specialist
Randy Berg, production supervisor
Sherri Berg, typesetter

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LESSER SLAVE LAKE SUMMARY

1. TOURISM POTENTIAL OF THE AREA

The study area included Lesser Slave Lake, its shorelands, and the communities located near the lake (see Figure 3). This study assessed potential benefits of the development of a number of potential tourism generators in the area. These potential generators included: upgrading of Lesser Slave Lake Provincial Park and Hilliard's Bay Provincial Park, development of a beachside resort, development of the Grouard Trail, development of the Cree Woodland Center, and development of a marina. The purpose of these proposed developments would be to attract increased recreational visitors to the area, and to thereby stimulate economic growth locally.

Lesser Slave Lake is the largest recreational lake in Alberta, and it offers some of the finest beaches in the province. The water quality is good, and the water is warm for most of June, July and August. This makes the lake attractive to tourists during the summer months.

The lake is really two basins, divided by a narrows near Kinuso. The east basin is favored for beach activities, but the water is often too rough for boating. The beach experience at this end is akin to that of the Pacific Coast, because there are often rolling waves. The west basin of the lake is generally calmer, and so is favored for boating and fishing.

The two basins tend to attract different markets. The east basin attracts visitors from Edmonton, predominantly, while the west basin attracts use from the Peace River/Grande Prairie area. Because of this differentiation, the east basin of the lake receives significantly higher visitation than the west.

Opportunities

Lesser Slave Lake is unmatched in Alberta. No other lake offers all of these important characteristics:

1. **Class one beaches**
2. **Clean, warm water**
3. **Large size**
4. **Attractive surrounding hills**

The potential for tourism development is enhanced by the excellent road access; the lake is located less than three hours drive from Edmonton, on an excellent paved highway (Fig. 1).

Responses from focus groups informed us that people are interested in visiting Lesser Slave Lake from Edmonton and Saskatoon. Calgarians expressed some interest, but were more likely to travel west or south. Both family groups and seniors were attracted by the possibility of visiting a beachside resort.

Concerns

There are several reasons why Lesser Slave Lake has not yet established itself as a tourism destination area. The greatest limitation is the weather; summers are short, and the weather can be variable. As well, the lake receives westerly winds that make the east basin difficult for family boating activities. Area use in the offseason is limited, and will have to be developed to make tourist services viable.

These sorts of concerns were reflected by focus group respondents. Family groups, in particular, were hesitant to commit a vacation to the area, because the weather might be cool or unpleasant and there would be nothing to do if the weather was not "beach weather".

2.1 LAKESIDE RESORT DEVELOPMENT

The greatest tourist attraction in the area is the presence of high quality beaches and lakeshore vistas. The development of this resource will require that a fully serviced resort be available adjacent to a beach. The most attractive site for such a development is on Devonshire beach, near the existing nine hole golf course.

The development should offer a full range of lakeside opportunities, providing privately operated fully serviced campground and fixed roof facilities, a day use lodge, and amenities like grounds, adventure play area, trails and beachside services. Specifically, the development should include the following:

Campground
A 120 unit campground in this setting would benefit from its location next to an excellent beach, and would attract an estimated 26 000 visitors to the area, generating expenditures of $1.4 million and supporting 28 jobs locally. The campground will be an efficient generator of tourism demand, but will require provincial land and a subsidy toward servicing costs to attract investment capital.

Cabin Resort
Adjacent to the campground, and sharing amenities, would be a cabin resort. This would be the first attempt to provide deluxe cabins for rent at lakeside. This development would greatly improve the image and attractiveness of the area. We estimate that this resort would attract 5 800 persons and generate $310 700 in expenditures, supporting nine local jobs.

The cabin resort is viable at this scale, but the return on investment does not appear sufficiently attractive to draw private investment capital. We expect that the province would have to subsidize development costs by approximately 35 percent.

Visitor Lodge
In order to assuage family fears of cool or wet weather, and to extend the market season, we believe that a visitor lodge is required. The lodge would provide an indoor activity area, concession space, and a display area. This lodge would be a stimulant to both day use and overnight use.

We estimate that it will generate $444 000 in local expenditures annually, and support nine jobs. The lodge would require a provincial investment of $1 000 000. Operating costs would be partly recovered by leases with the campground and cabin operators, leaving an annual provincial cost of about $30 000.

2.2 IMPROVED WATER ACCESS: MARINA/BOAT LAUNCH

The development of improved water access on Lesser Slave Lake will support local tourism growth. The development of boat launches at convenient locations (near accommodations) is most desirable, but difficult because shore conditions are not favorable.

The development of a marina is a secondary requirement, but would also be beneficial. It would be wonderful if a marina could be developed near the proposed Devonshire Beach resort, but we do not believe that shore conditions will allow such a development. The federal government is currently undertaking a study of potential marina locations. We suspect that the marina will not support the development of a related shoreline resort, unless there is also a class one beach present.

A recent study of a marina proposal at Joussard suggested that a 95 slip marina would be full all of the time over a 100 day boating season. We estimate that this development would attract almost 19 000 users, and generate $425 000 in annual benefits, while supporting nine jobs.

2.3 IMPROVED LAND-BASED OPPORTUNITIES

There is demand for land-based recreation in the area, specifically for trail opportunities. The trails that will best support tourism use are:

1. **Walking (jogging) trails along shoreline**
2. **Bicycle trails along shoreline**
3. **Horseback trails**
4. **Cross-country trails**
5. **Snowmobile trails**

The proposed Grouard Trail (across the north shore) does not appear to serve projected tourist demand. The trail location suffers from poor views, limited topography and wet ground conditions. We expect that tourism can be generated more effectively by loop trail systems located on scenic uplands like the Marten Hills and the Swan Hills (south of Slave Lake).

2.4 CULTURAL TOURISM OPPORTUNITIES

The development of cultural tourism opportunities will generate tourism in the area. These opportunities appeal to a user segment not currently using the area. They also provide an indoor activity for families.

The proposed Woodland Cree Interpretive Center has a strong theme, and could be very attractive if it offers unique opportunities to glimpse Cree lifestyles and arts. However, the

chosen location of Grouard is "off the beaten track", and may suffer low visitation as a result.

The proposed Slave Lake Visitor Center could provide a much needed entry point to the area, if located on Highway 2. This center would be the best location for displays describing the historical and natural features of the region. We expect that this center would create benefits by stopping visitors for two hours, and possibly for an overnight visit.

2.5 COLD WEATHER OPPORTUNITIES

There is no question that the short warm season is a major limitation to tourism development. Any opportunity to attract tourists in the offseason should be explored. Hunting, fishing, cross-country skiing, snowmobiling and conventions/meetings appear to be promising possibiiities. The greatest requirements for improved cold weather use are accommodation and attractive trail systems.

3. CONCLUSIONS

Lakeside Development:
In order to accelerate the growth in tourism demand for Lesser Slave Lake, the area must develop an image as a lakeside resort. This will require that priority be placed upon the development of accommodation and activities adjacent to the lakeshore.

Limitations:
Lesser Slave Lake is limited as a summer tourist resort by short summers, by variable weather patterns, and by potentially high winds and waves on the lake. These factors combine to make it difficult to consistently attract visitors to any tourist development.

Common Priorities and Cooperation:
At present, the market for Lesser Slave Lake is limited. A number of proposed developments dispersed around the shore of the lake are likely to each struggle to be financially viable. We strongly urge all the sectors involved in tourism development to establish mutual priorities and to cooperate in the creation of viable tourist attractions. Only one or two tourist developments on the lake should be contemplated at this time.

Indoor Activities:
Potential visitors have an impression that the weather is cool and variable. This creates a barrier for families. The perception is partly correct, and there is therefore a need to provide more indoor activities for tourists (eg. visitor lodge, shopping, museum, leisure center).

Offseason:
The area must develop improved offseason attractions. The best start seems to be at the Grizzly Ridge ski area south of Slave Lake. We also believe that snowmobile opportunities can be developed south of the lake along the uplands. The Devonshire Resort should be developed with winter in mind, but this may be difficult, given the site exposure and the on-shore winds.

Marketing and Promotion:
Lesser Slave Lake offers a beach setting unmatched in Alberta, but few people know of it. More than most places, this one needs to be promoted. Edmonton is the key market and promotions should be targeted to families and seniors in this city.

Grouard Trail:
There are probably good reasons to develop the Grouard Trail. Tourism is not one of them. We do support the value of trail development, however. Trails will be most attractive if they are located along scenic uplands and along the lakeshore.

Interpretive Centers:
The Woodland Cree Interpretive Center provides an excellent theme for a regional museum. Grouard, however, is a difficult location for it. In order to do well, this center will have to be the best of its kind. The proposed visitor information center for Lesser Slave Lake is also attractive, but should be integrated with other developments. We recommend that it be integrated with an arrival/interpretive center at the junction of Highways 2 and 67, southeast of Slave Lake.

Marinas:
Potential marina locations appear to be limited to four sites (Joussard, Canyon Creek, Lesser Slave River and Oilman's Creek). It is unlikely that a marina can be operated at Devonshire Beach. The development of a marina is not critical to tourism development but will certainly be helpful.

Park Development:
The Provincial Parks are already tourism generators for the area. Further upgrading should be related to the priorities listed earlier. Further development at Hilliard's Bay is questionable, unless there is improved beach access and a related private sector opportunity.

TABLE 1: COMPARISON OF POTENTIAL INVESTMENTS IN TOURISM (LESSER SLAVE LAKE)

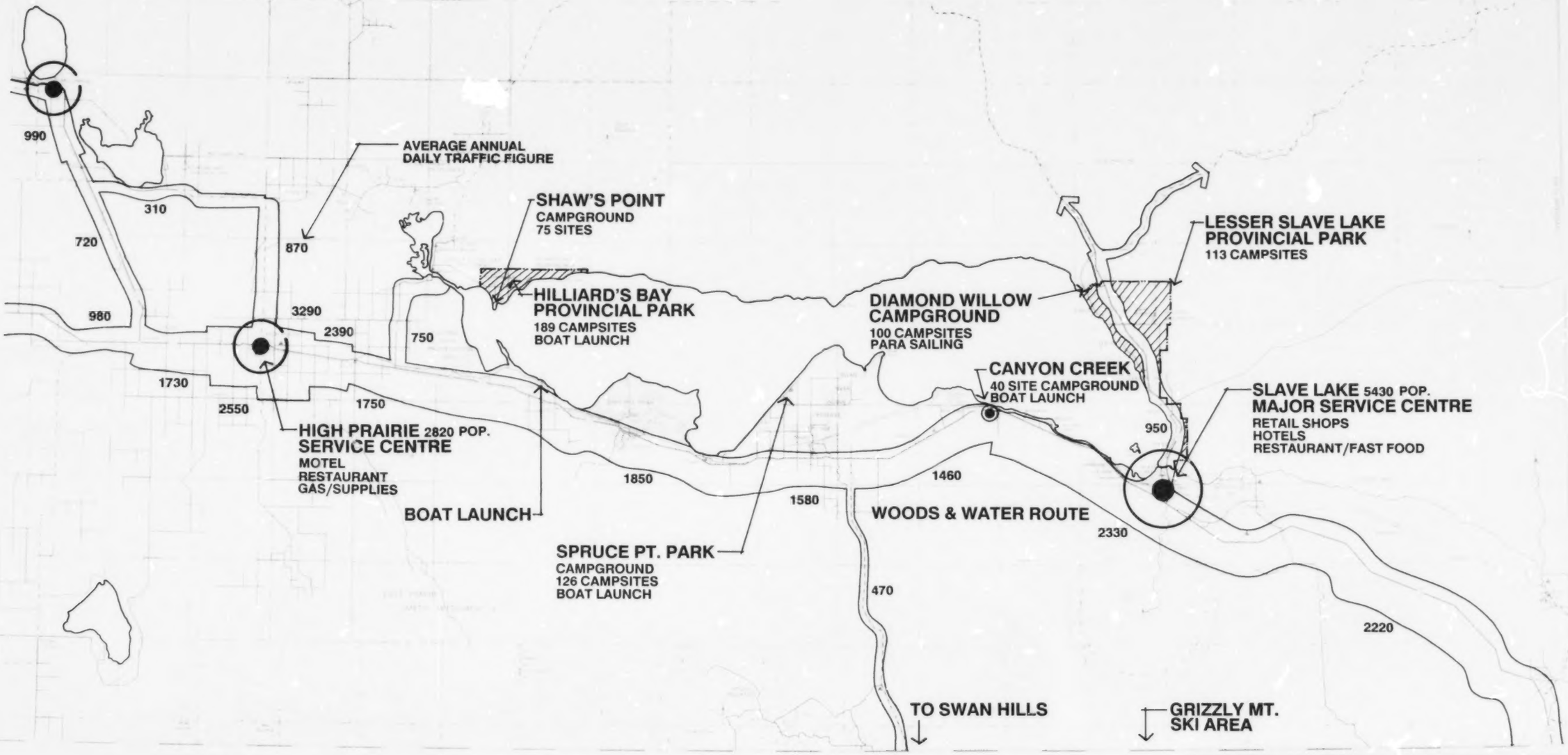
	A CAMPGROUND	B CABIN RESORT	C VISITOR LODGE	D MARINA	E INTERPRETIVE CENTER
VISITORS (TOTAL)	26 000	5 760	10 850	18 900	35 600
ECONOMIC BENEFITS					
CAPITAL INPUT	$765 000	$1 012 000	$1 500 000	$1 740 000	$9 800 000
ANNUAL EXPENDITURES	$1 400 000	$310 700	$444 000	$425 250	$630 000
JOBS, CAPITAL	10	13	20	23	132
JOBS, ANNUAL	28	9	9	9	19
INVESTMENTS					
PROVINCIAL-CAPITAL -OPERATING	$200 000	$240 000	$1 000 000 $30 000	$580 000 $131 100	$4 544 400 $180 000
PRIVATE - CAPITAL -OPERATING	$310 000 $122 000	$435 000 $94 300	$30 000		
MUNICIPAL-CAPITAL -OPERATING					
NON-PROFIT-CAPITAL -OPERATING					$3 030 000 $180 000
RISKS					
SHORT SEASON	+++	++	+	+++	+
POOR WEATHER	+++	++	+	+++	++
HIGH OPERATING COSTS	++	++	+++	+++	+++
ECONOMIC DOWNTURN	++	+++	++	++	++
COMPETITION	+++	++	+	++	++

TOURISM MARKET PREFERENCE AREA

PRIMARY MARKET
SECONDARY MARKET
TERTIARY MARKET

LESSER SLAVE LAKE
TOURISM GENERATOR PLAN

NORTH | SCALE N.T.S. | FIGURE 1.



TOURISM SERVICES AND USE INVENTORY

LESSER SLAVE LAKE TOURISM GENERATOR PLAN

NORTH

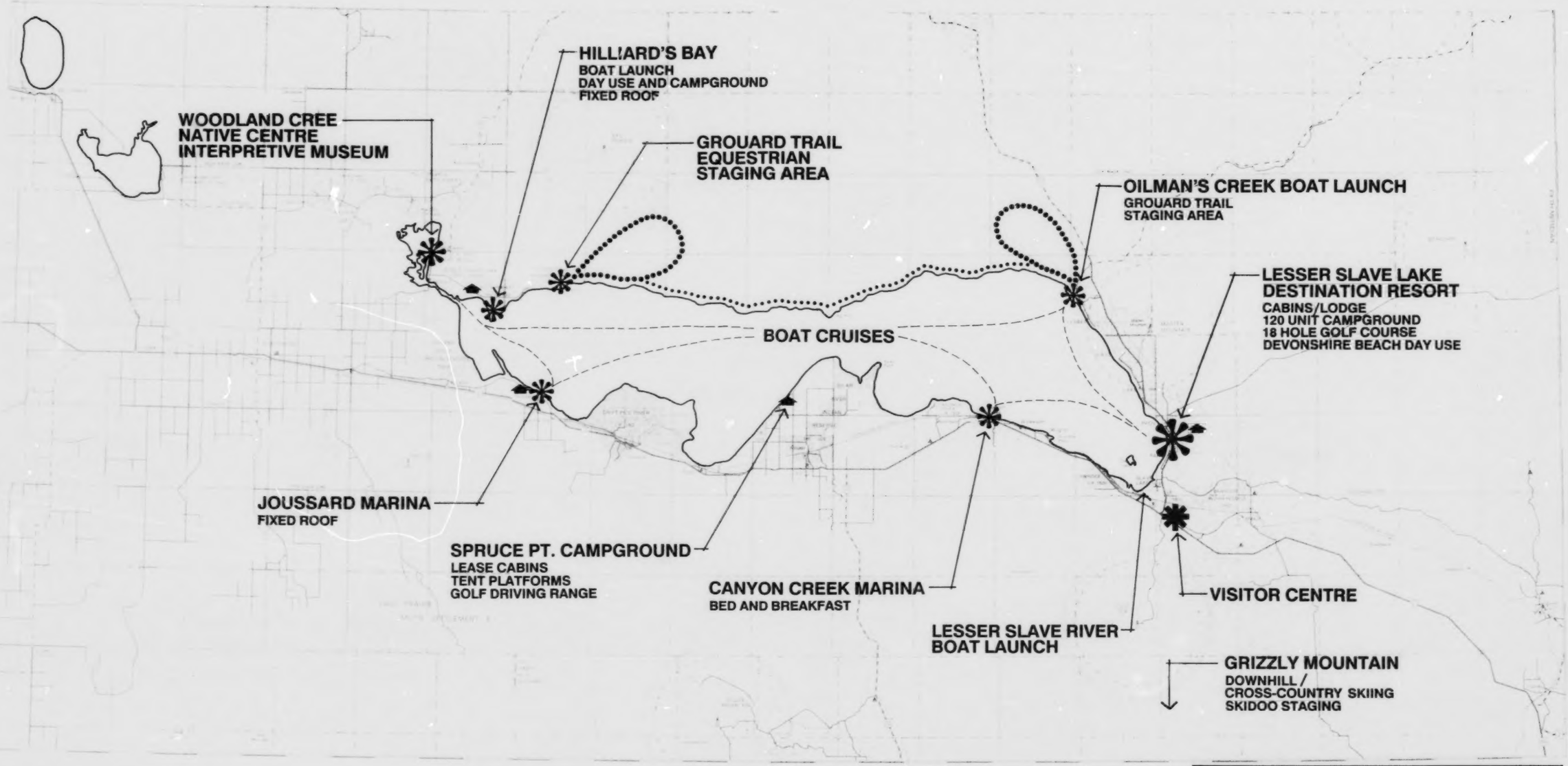
MARCH 1989

SCALE

0 5 10 15 km

FIGURE

2.



REGIONAL TOURISM POTENTIAL

LESSER SLAVE LAKE TOURISM GENERATOR PLAN

NORTH

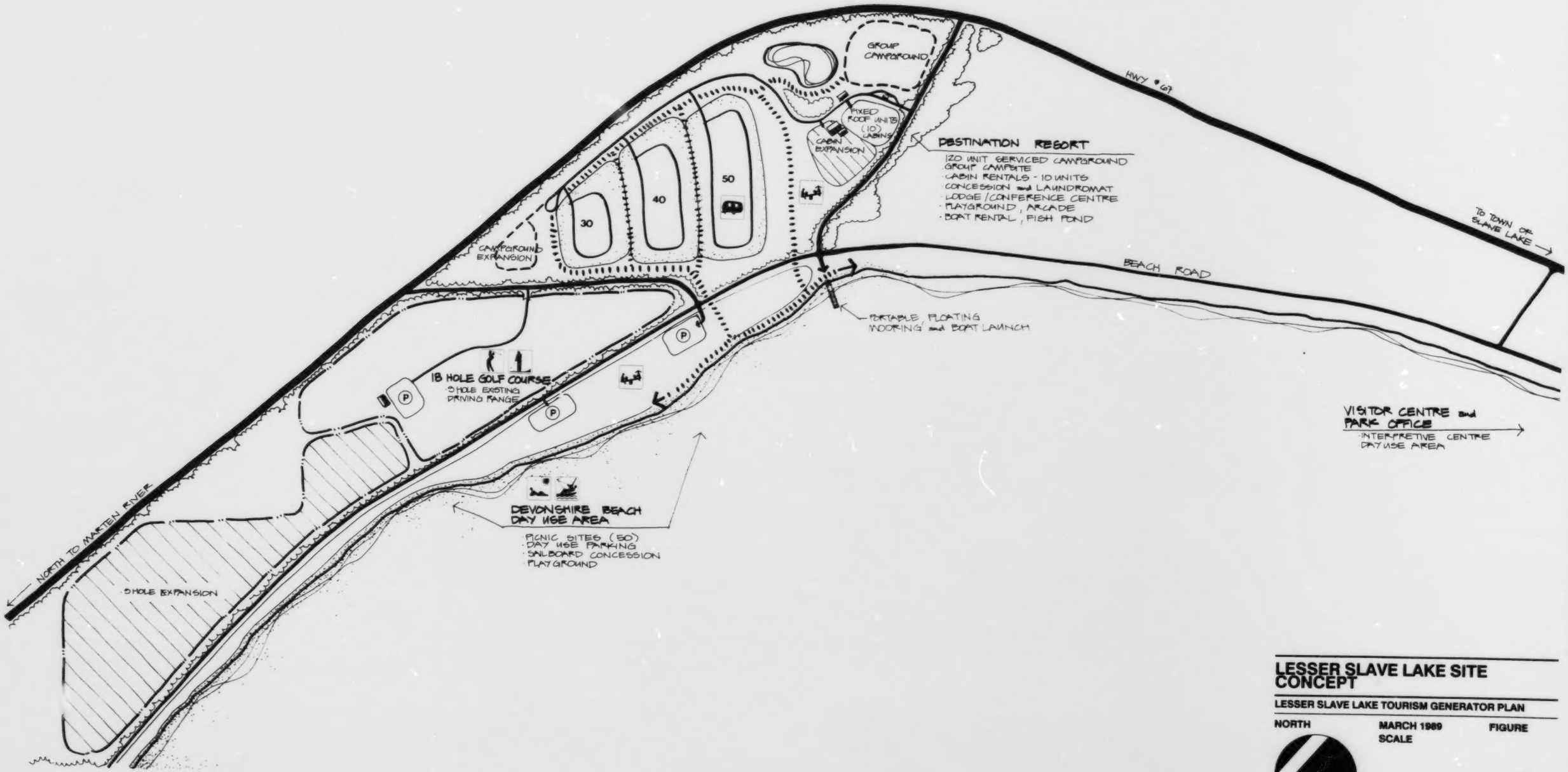
MARCH 1989

SCALE

0 5 10 15 km

FIGURE

3.



LESSER SLAVE LAKE SITE CONCEPT

LESSER SLAVE LAKE TOURISM GENERATOR PLAN

NORTH

MARCH 1989

SCALE

FIGURE

4.

CHAPTER • ONE

PURPOSE OF PLAN

This plan was prepared to allow the Department of Tourism and other parties to assess the regional context for potential tourism developments. More specifically, the plan was intended to:

- Examine the economic impact of proposed tourism generators.
- Describe the regional context for tourism development.
- Examine the potential tourism market.
- Establish the regional requirements for a tourism attraction.
- Describe potential development sites and adjacent tourism resort opportunities.
- Describe the potential roles of the participating sectors.

The plan describes a study area surrounding Lesser Slave Lake, and includes several potential developments adjacent to the lake. Within the plan, a number of proposed tourism generators are explored, including: a lakeside resort, a marina, and the Grouard Trail. These developments are related to potential enrichment of Lesser Slave Lake and Hilliard's Bay Provincial Parks.

CHAPTER · TWO

DESCRIPTION OF DESTINATION REGION

The purpose of this section is to present a general outline of the regional service and tourist trade facilities in the Lesser Slave Lake area.

2.1 DEFINITION OF STUDY AREA

The study area was defined by establishing the service centers affected by the provincial tourism generators (Lesser Slave Lake and Hilliard's Bay Provincial Parks). Since the lake is located in a relatively isolated setting, we included only those communities and facilities with direct proximity to the lake. This area included the major tourism service centers that would be most affected by development of the potential provincial tourism generators. The chosen study area is illustrated in Figure 2.

Service Centers

The major service centers in the region are High Prairie, and Slave Lake. While High Prairie is an agricultural service center, Slave Lake offers services related to oil and gas exploration and forestry. Both communities offer provincial government services.

High Prairie is located 20 km west of Slave Lake. There are four hotels/motels containing a total of 119 units, but only 28 percent are adequate for recreational tourist use. The hotels are used primarily by seismic and oil crews. Tourist use is 7.9 percent during summer months. Food service is available from 11 restaurants with three considered of tourist quality. The town unemployment rate is 4.3 percent for males and 1.9 percent for females. The major employers are the school division, two sawmill/planing mills, provincial government, medical and municipal government. Population growth averages at three percent per annum.

Slave Lake is located at the southeast end of the lake adjacent to the Lesser Slave River. The Slave Lake economy is largely dependent on the natural resource sector. Slave Lake has six hotel/motels, containing 227 units of which 76 percent are suitable for tourist accommodation. Tourist room demand represents less than five percent of the total demand and is concentrated in July and August. Food service is available at 12 restaurants with three considered of tourist quality. The hotel occupancy rates are high for those hotels catering to the oil field service sector and as low as 50 percent for general demand. The unemployment rate in the community is 5.5 percent for males and 11.1 percent for females. The major employers are the forestry sector, oilfield, provincial government, hospital, municipal government, and school division. Population growth, estimated by the town of Slave Lake, is anticipated to be five percent per annum.

Natural Cultural Recreation Features

Natural Features

The Lesser Slave Lake study area contains two provincial parks; Hilliard's Bay on its northwest shore and Lesser Slave Lake Provincial Park along its eastern shore. Over 30 km of high quality beach provide the major summer attraction. Lesser Slave Lake Provincial Park is the fourth largest park in the province. Dog Island, the only island in the lake, is included in the park. An exceptional degree of topographic variation is provided by the Swan Hills to the south and the prominent rise of the Marten-Pelican Upland east of the lake.

Climate plays an important role in the recreation potential of the area. Compared to other areas further south, the climate of this region is markedly more extreme. Short (90 days) frost-free summers followed by long winters with quick transitional seasons of spring and fall characterize the regional climate. The climate is moist with almost three-quarters of the annual precipitation falling during the month of July.

The lake is normally ice-free for 161 days. Fall freeze-up normally comes in late October and spring break-up occurs from May 10 - 20.

The varied habitats and range of topography accommodates a wide range of animal species. Wolf, coyote, white tail/mule deer, woodland caribou, moose, beaver, muskrat, mink and black bear are found regionally. Woodland bird species, colonial nesting birds and shore birds are present in abundant numbers. Dog Island is an important nesting site for various shore birds and for the bald eagle.

Cultural Features

Various historical themes are represented by the cultural features of the area. Themes of economic development, religion and transportation are relevant to the area's development history.

The earliest evidence of man in the region dates from 10 000 to 12 000 years ago, according to archeological data. Small nomadic bands of Aboriginal people circulated through the region as part of their hunting range. As the fur trade became established, the Woodland Cree replaced the Beaver Indians who relocated further north.

The economy of the area has its roots in natural resource development extending from the fur trade, through commercial fisheries to oil/gas exploration and forestry. Local fur trade activity began in 1802, when Angus Shaw located a trading post site near Grouard. The Hudson's Bay Company constructed a trading house in 1815 near the present site of the town of Slave Lake.

Missionary activity was first recorded in the region in 1840 when protestant ministers Reverend Robert Rundle and Reverend James Evans visited the Slave Lake area. Permanent missions were not established until 1872 with the Roman Catholic Mission of St. Bernard at Grouard. This mission has been declared a Provincial Historic Site.

Related to the mission and fur trade activity, trails were established in the region as overland routes connecting major waterways. The Grouard or Peace Trail connected the Athabasca Landing to the Peace River Crossing. Boat traffic began in the region in 1888. Travellers and goods came by boat from Athabasca Landing to the Mirror Landing on the Lesser Slave River. From this point they travelled overland to Sawridge where a second paddlewheeler was boarded for the lake crossing to Grouard. From Grouard, travellers went overland by wagon to the Peace River Country. The S.S. Northern Light, a 100 foot sidewheeler, was launched in 1906 with accommodation consisting of 35 staterooms. Its use declined in 1916, when the railway arrived to replace the water routes and overland travel. Lesser Slave Lake contains the largest commercial fishery in Alberta. Numerous small south shore communities developed to serve this fishery. Some isolated examples of these potentially significant historic facilities remain today.

Several museums operate in the area. The most notable is the High Prairie and District Centennial Museum which contains pioneer, Indian and archival material from the ghost town of Grouard. The Alberta Vocational Center in Grouard houses a native arts museum. A small museum in Kinuso maintains a collection of natural history specimens and farming memorabilia. No museum is located in Slave Lake.

Recreation Features

Recreation potential of the lake has been noted since 1922 when the Canadian Pacific Railway requested a reservation of land on the sandy east shore for the purpose of developing a summer resort. The land was reserved by the Federal Department of the Interior for public use under the Dominion Lands Act. Dog Island, previously used for dumping fish waste, was recognized in 1928 as having recreation potential and reserved for public use. Lesser Slave Lake Provincial Park was established in 1966.

Lesser Slave Lake is the largest recreational lake in Alberta. Its major recreational feature is the presence of extensive sand beaches provide a popular setting for water-based recreation opportunities in the summer months. The 30 km of sandy shoreline and related sand dunes are also an exceptional attraction for land-based recreation.

The lake is naturally divided into two water basins by a narrows located at approximately mid-point. The east basin is characterized by sudden strong winds and high waves and thus is not considered safe for boating. The west basin is popular for fishing and boating. Boating is also popular along the sheltered north shore.

The Upland areas at Marten Mountain and Lily Lake provide an opportunity for backcountry recreation. The historic trail along the north shore also provides a potential trail opportunity. The Swan Hills Upland south of the lake provides hunting, skiing and snowmobiling opportunities.

In addition to the lake as a focal point for water-based opportunities, both the Marten River and the Lesser Slave River have limited fishing and canoeing potential. Several shore areas contain marshlands which are suitable for various birdwatching and nature photography opportunities.

Tourism Attractions

The major tourism attraction of the area is the extent and availability of Class 1 beach, found at Hilliard's Bay and Devonshire Beach, and isolated beach sites along the north

shore. Other public beaches are located at Spruce Point, Joussard and Canyon Creek. There are no developed tourist resorts on the lake presently.

2.2 ACCESS AND TRAVEL PATTERNS

Road Access

The major route of access to Slave Lake is via Highways 2 and 44 from the southeast. Highway 2 follows the south shore of the lake and parallels the railway line.

The major access routes from the west are Highways 43 and 34 from Valleyview and Grande Prairie. Northern access is from Highway 2 from Peace River and Highway 67 (88) from Fort Vermilion. Southern access to the lake is also available along Highway 33 from Swan Hills. The relative traffic volumes of these roads are indicated in Figure 1. The "Northern Woods and Water Route" designation has been given to Highways 55, 2 and 49 providing a northern traffic route between Saskatchewan and British Columbia. This route is formally noted on provincially approved tourist maps.

Recreational Traffic

Passenger traffic accounts for 75.4 percent of the traffic on Highway 2 to Slave Lake and recreational vehicles account for 4.1 percent. Summer traffic volumes account for an additional 100 vehicles daily, on average. Truck traffic accounts for 20.1 percent of the traffic volume, reflecting Slave Lake's position as an oilfield/forestry service center.

Tour/Bus/Rail Access

Railway access is provided by Canadian National Railways although no passenger rail service is available.

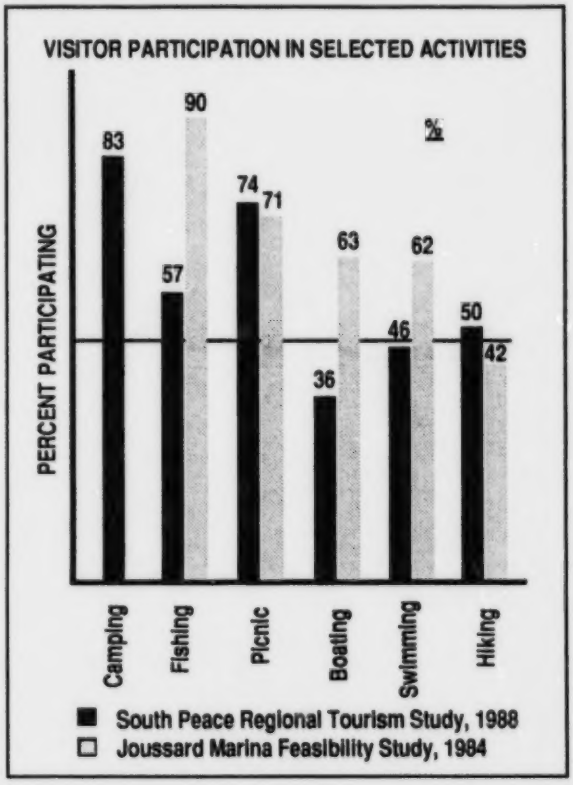
Greyhound Bus Lines operates regularly scheduled bus service to Slave Lake and along Highway 2 through the communities of Canyon Creek, Kinuso, Faust, Driftpile, Joussard, Enilda to High Prairie. Tour bus facilities are available in Slave Lake. None of the tour bus companies in Edmonton operate tours which stop in the area. Visitors by bus were mentioned, however, as a significant portion of visitation at AVC Grouard. These appear to be locally organized bus tours primarily by seniors clubs originating from various locations in Alberta.

Airline Access

No regularly scheduled commercial air service is available to the area. Airports are located in High Prairie and Slave Lake which are served by several charter flight companies. The closest international airport is located three hours away in Edmonton. The closest airport with regularly scheduled air service is Peace River about two hours away which is served by Canadian Airlines.

2.3 EXISTING RECREATIONAL VISITS

Lesser Slave Lake lies within Alberta Tourism Zone 14 - Land of the Midnight Twilight. Existing recreation patterns are shown in the graph on this page.



Camping

Camping is the most popular recreational activity of visitors to the area. Within the Slave Lake region are a variety of day use and camping opportunities. In addition to the 293 sites contained in the two provincial parks, there are five recreation areas for camping/day use and two municipal campgrounds. The provincial parks at Slave Lake hosted 62,000 visitors in 1988 for day use and camping. Overnight camping accounted for 30 percent of park users (11). Four private campgrounds operate at various locations around the lake and contain a total of 232 sites. A total of 757 sites are available for camping at Lesser Slave Lake.

Fishing

The most popular water-based recreational opportunity is fishing which occurs in the west basin of the lake. Fishing is not a major activity in the east basin due to sudden strong winds, high waves and the lack of launching and docking facilities. Boat rentals for fishing were offered for the first time in 1988 from

Slave Lake. Fishing in the lake is generally good, with the occasional period of exceptional fishing at the west end. Northern pike and walleye are the most popular lake catches. Additional fishing opportunities are available in Marten River, Lesser Slave River and Lily Lake (stocked with trout).

Picnics
Day use in the provincial parks accounted for 70 percent of park visitors in 1988 for a total of 45 450 visitors. Picnics are a popular activity, particularly near beach areas (11).

Boating
Boating includes inboard and outboard motorboats and sailing boats. Windsurfing is also popular.

Boat launch facilities are located at Joussard, Canyon Creek, Lesser Slave River and Hilliard's Bay. Private boat launch facilities are available at Shaw's Point and Diamond Willow Resort. Suitable boat launch locations are limited by natural phenomena such as ice thrust, siltation, wave action and water level fluctuation. Marina locations are similarly limited by the strong westerly winds and rolling surf.

Swimming
The water quality of Slave Lake is excellent making it one of the best swimming lakes in Alberta. Popular swimming areas are at the Class 1 Beach areas of Hilliard's Bay and Devonshire Beach. The lake is relatively shallow and thus is sufficiently warm for swimming by mid-June.

Walking and Hiking
There are few hiking trails available in the area, at present. Most trails are minor loops or walking paths adjacent to the lake. Back country hiking is available from the Marten Mountain lookout to the Lily Lake area. The opportunity for hiking is limited by the presence of wetlands and thick boreal forest.

Hunting
The Slave Lake area is used as a staging area by hunters using the Swan Hills to the south. According to guides, there is excellent potential for hunting, but hunting resources are not promoted.

Extended Tour
The Northern Woods and Water Route was established to promote extended tours across Northern Saskatchewan and Northern Alberta. This route attracts extended tour vacations from Saskatchewan and Manitoba. As well, Alaska Highway traffic accounts for about six percent of travel in the tourist zone.

Winter Recreation Patterns
There is little evidence of tourists visiting the area during winter. Popular winter activities such as cross-country skiing, snowmobiling, ice fishing and downhill skiing are available, but draw participants primarily from the local area. Skiing activities are concentrated at Grizzly Mountain, south of Slave Lake, where the Grizzly Mountain Ski Club operates a ski hill and club house. In conjunction with this facility the cross country ski club operates 25 km of groomed trails for its 60 members. Snowmobiling activities on the lake and in the Swan Hills Uplands are coordinated by a local club with 75 members. Visitors to both clubs are drawn from various locations in Alberta including Fort McMurray, Edmonton, Calgary and Grande Prairie.

Visiting Friends and Relatives
This market accounted for 35 percent of resident travel and 32 percent of non-resident Alberta travel to the zone in 1986 (16).

Special Events
A variety of events are available in the region, primarily during the summer months to attract visitors. In 1988, 12 special events in the area attracted 26 000 participants (16 000 tourists). The most popular winter events are curling bonspiels, hockey tournaments and cross-country skiing; these events attracted a total of approximately 1 100 participants.

At A Glance: Zone 14 Tourists

Total Number: 588 000 (1986)
Origin: 96% were from Alberta; 49% were from Edmonton (1986)
Family Market: 49% came with families (1982)
Seniors Market: 28% were seniors (1982)
Budgets: Visitors spent an avg. of $36.33 per person/per day (1988)
Mode of Travel: 75% came by car; 4% brought recreational vehicles (1986); 78% of park users brought recreational vehicles (1987)
Sources: 1982 Alberta Travel Study, 1986 Travel Alberta zone profile, 1987 Park Visitor statistics, 1988 South Peace Regional Tourism Study.

CHAPTER · THREE

MARKET ANALYSIS

This section of the paper describes the potential tourism markets for the region, and the likelihood that these markets will respond to development in the region. Existing travel to the area is predominantly from within the province; particularly from the northern two-thirds.

3.1 MARKET SIZE

While the local population surrounding Lesser Slave Lake is small, the population available within a three hour drive is considerable. If Lesser Slave Lake can capitalize upon its relative proximity to the Edmonton metropolitan area, there will be no shortage of potential visitors. The market areas are illustrated in Figure 1.

Primary Trading Area
The primary trading area of Lesser Slave Lake runs primarily east and west along the lake and includes the many south shore communities (see Figure 2). The urban population of 11 583 is located in the two major centers of Slave Lake and High Prairie. In addition there is a rural market which lives within 30 minutes of each community that regularly commutes to either center. This market population is 12 534 for a regional total of 24 117 (Census 1986). This population is relatively small to support large-scale tourism attractions.

Secondary Market Area
The secondary market includes all persons who live within a three hour drive from the lake. Lesser Slave Lake has traditionally drawn most of its visitors from this market area, but many within the area remain unaware of the recreation opportunities available. This market area includes 952 321 residents and includes the metropolitan center of Edmonton (785 465 CMA), and the town of Peace River (6 290). The metropolitan market is complex and must be divided according to market segments. Each segment can be attracted by specific conditions of opportunity and convenience. This is the key market area which must be attracted to make tourism facilities viable.

Tertiary Market Area
The tertiary market includes all persons living within a six hour drive. The major additions within this range are the city of Calgary (671 300) and Fort McMurray (34 930). If this market can be attracted to the lake, it will greatly increase tourism visitation in the area. However, focus group responses indicated that Calgary residents would prefer to travel west and south for vacations, and were hesitant about travelling north.

Fringe Markets
Focus group responses from Saskatchewan indicated that an opportunity exists to attract visitors from Saskatchewan. We suspect that Saskatchewan residents are used to travelling north to access lakes, and are therefore attracted to this opportunity.

Continental Market
Data available on the continental market indicates that six percent of zone traffic originates in the United States. This represents approximately 3 430 visitors (most of whom are travelling through to the Alaska Highway). There is potential to attract these visitors to stay an extra night in Slave Lake.

Offshore Market
The Alberta Travel Survey (1982) estimated that four percent of the traffic to the zone is from offshore sources. This represents approximately 1 500 visitors. We expect the potential to attract significant offshore visitation to be limited unless specific exclusive attractions are developed and promoted to Europe and Japan.

How Visitation Differs - East and West Basins

a.) Hilliard's Bay - West Basin
The west shore pulls the majority of its visitors from the Peace River area (43.8%) and from Slave Lake (15.6%). The major metropolitan markets of Edmonton and Calgary account for 25 percent of overnight use.

b.) Lesser Slave Lake - East Basin
The east shore park users are drawn heavily from the Edmonton market (56.2%). Local use by Slave Lake residents accounts for 17.6 percent while Peace River accounts for 11 percent of camping use.

3.2 KEY MARKET SEGMENTS

The following market segments are desirable targets for tourism growth in the study area.

Family Market

The family market is currently the largest tourist segment visiting the region. Focus group responses indicated that families are willing to travel several hours to Lesser Slave Lake, however they demand a full range of activities in a high quality setting. Family travellers reported that their greatest concern was colder weather. They perceived that in inclement weather, there would be "nothing to do". Calgary families will be difficult to attract. Edmonton families indicated an willingness to travel to this area. There is some potential to attract families from Saskatchewan as well. The overall size of the family market was estimated at **900 000** persons.

Seniors

This market includes all travellers over the age of 55. In 1988, the percentage of retired visitors to the west end of Lesser Slave Lake was estimated at 30 percent. In 1982, the Alberta Travel Survey estimated seniors visitation to be percent of the total visitation to the zone. We expect visitation by seniors to be a significant factor in tourism development at Lesser Slave Lake because (a) their numbers are steadily increasing, (b) some senior segments have high disposable wealth, and (c) they travel in off-seasons. Focus group responses indicated that seniors from Edmonton and Calgary showed a strong interest in visiting a resort at Lesser Slave Lake. The potential seniors market was estimated to include **350 000** persons.

Adventure

The adventure market includes all persons who are seeking an outdoor skills experience that brings them "closer to nature". This market is an emerging world market for tourism. Currently, there is evidence that boardsailing, in particular, is an adventure attraction in the area. There is also participation in sailing, snowmobiling and cross-country skiing. Current participation in outdoor adventure experiences is relatively low, but we anticipate opportunities to promote higher participation in the activities mentioned, as well as trail riding and hiking.

Special Events

The area is slowly developing a special events market which we feel is worth pursuing. In 1988, 12 events attracted 26 000 participants, of which 16 000 were tourists. Summer events include the North Country Folk Festival, the Sand Castle competition, and Slave Lake Days. Winter events include bonspiels, hockey tournaments and cross-country loppets. The success to date would indicate that there is significant room for growth.

Hunting and Fishing

The current size of the hunting and fishing market has not been estimated by any previous studies. However, sites like Hilliard's Bay Provincial Park currently attract a high percentage of fishermen, and the hunting opportunity is very good. We therefore suspect that these two activities offer a growth market for offseason use.

Meetings/Conventions

While this is not a recreational market, the attraction of meetings to the Lesser Slave Lake area may provide an important offseason market for recreational facilities. There are limited meeting facilities in the area, particularly at the west end of the lake. There is an opportunity to attract meetings among officials of government, utility companies, native and metis groups, and local private sector companies. This traffic is moderate, but it will grow significantly with new developments in the area. The importance of this traffic is that it creates a demand for hotel rooms in the offseason, and that daily expenditures are relatively high.

The Short Warm Season
The ice remains on the lake until May 10-20. Park visitation increases by mid-June and peaks in July. Numbers of visitors decline in August, and September visitation is low (11).

3.3 MARKET PERCEPTIONS OF THE REGION

The Lesser Slave Lake area does not have a market "image" at this point. Most people are not aware of the recreational potential of the lake, and many confuse this lake with Great Slave Lake in the Northwest Territories. The focus group interviews indicated a range of opinion from surprise about the recreational potential to negative assumptions regarding the weather.

The extent of beach provides a tremendous opportunity for creating a resort image. The lake offers a lake horizon view, and a maritime experience that attracts people.

We believe the most beneficial market perception is that the area offers a wonderful natural environment and uncrowded beaches. Instead, many people associate Slave Lake with a wilderness experience. In focus groups we found that respondents were attracted by the beach image though they did not know the area. Family respondents indicated that they would prefer a fully serviced resort complex including shopping and dining opportunities.

Family respondents were enthusiastic in their responses but both family and senior groups were cautious about the weather and pests. Both focus groups viewed the area as suitable for a short two to three day holiday. Seniors would consider the destination during the shoulder season.

The location was attractive to both Edmonton and Calgary seniors. Family groups in Saskatoon and Edmonton were attracted to the site.

3.4 POPULATION GROWTH

The growth rate of the primary and secondary market areas will be a significant factor. Slave Lake anticipates a high growth rate (five percent annually) during the next five years attributed to various natural resource development projects.

Additional construction projects in the town of Slave Lake include the construction of a new regional hospital, a shopping mall, and a leisure center complex, to be located south of Highway 2. A new hotel is also proposed.

This high growth rate will also be experienced in major portions of the secondary market (eg. Athabasca, Peace River).

WHY PEOPLE DON'T VISIT LESSER SLAVE LAKE

1. Weather

The focus groups perceived that the weather would be a major limitation. The weather is perceived to be cool and unreliable.

2. Pests

Focus groups noted a concern with bothersome pests like black flies and mosquitos.

3. Lack of Services and Support

There is a perception that the northern areas offer an inadequate range of services (medical, retail, commercial) to the tourist. This concern extends to the quality and availability of tourist services (good restaurants, motels, campgrounds).

4. Competing or Intervening Opportunities

Slave Lake is in direct competition for the weekend lake visitor who has a choice of nearly a dozen lakes in the Edmonton area. Since the water and beach quality at Lesser Slave are superior, this may be an awareness problem.

5. Distance and Travel Time

Day users are unlikely to travel any longer than one and a half hours to this attraction. Visitors will travel significantly farther (3.5 hours) for a weekend and eight hours or more for a longer stay.

6. Lack of Activities

Family groups expected a lack of choice in available activities at this location.

7. Frontier Image

Tourists may not want to travel to the region due to the perceived frontier image.

8. Water Quality

Albertans have learned that most Albertan lakes are congested with vegetation. Most do not realize that Lesser Slave Lake offers comparatively good recreational water quality.

3.5 EXTERNAL FACTORS

Several external factors will influence the potential for tourism to grow in the study area. These include:

Infrastructure and Employment Problems:
The development of the AEC pulp mill in Smith and various construction projects in Slave Lake will create a severe labor shortage. The community has begun to develop strategies to overcome the anticipated employment shortages and migrant worker problems. The service sector will find it difficult to offer competitive wages and benefits. Some attitude adjustment may be required by the local business community to establish tourism related initiatives on equal footing with resource based projects.

Native History Commemoration:
Several initiatives exist to interpret native and metis history and arts to the larger community. A major first class facility would broaden the range of opportunities and would provide an innovative cultural experience. This development would coincide with the interest in museums indicated by the family and the seniors markets.

Alaskan Highway 50th Anniversary:
This anniversary in 1992, will provide an excellent opportunity to promote northern access routes. This event will receive North American media coverage thus preparation tc capitalize on this event should begin immediately.

The Ageing Population:
As the population ages, this growing travel segment will expand shoulder season markets for Lesser Slave Lake. However, this segment will only be attracted if full service facilities are available.

Population Growth:
The rate of population growth in northern Alberta is expected to be above average over the next five to ten years. This will substantially increase tourist demand.

REGIONAL REQUIREMENTS FOR TOURISM GROWTH

The Lesser Slave Lake area has developed as a small scale destination recreation area. Existing tourism development has established several minimum service campgrounds near the beaches. In order to make the change from a recreation area to a tourism destination, significant changes will be required in attractions, facilities, services and promotion (see Figure 3).

4.1 ATTRACTIONS

The potential for Lesser Slave Lake to attract visitors has been demonstrated by the significant use that existing Provincial Park facilities receive, despite very limited marketing.

The natural attractions for summer visitors are the beaches, especially those located at Shaw's Point (near Hilliard's Bay Provincial Park), Devonshire Beach (east shore) and Marten River/Oilman's Creek (northeast shore).

Considering that Lesser Slave Lake is the largest recreational lake in Alberta, it is surprising that the potential for lakefront development has been ignored until recently. The lake and beaches are of a high quality, but few resort amenities are offered. In order for growth to occur, destination facilities will be required.

Responses from focus group participants indicated that family groups expected a completely developed beach resort area. This development included excellent beach access, a range of accommodation nearby, and a full range of services from fast food to boat rentals. Seniors expected a less developed resort, but still anticipated that accommodation would be at the lakeside.

The ideal attraction for Lesser Slave Lake would combine a range of lakeside accommodations, excellent beach access, and scenic views. It would offer access to beach and water activities primarily, with a secondary opportunity to explore interesting landscapes. It would offer a range of recreation activities, including indoor activities. Shopping and services would be close at hand.

Relative Importance of Potential Area Attractions

High: Beach
Water-Based Recreation: swimming
boating
fishing
sailing/sailboarding
Scenic Beauty
Lakeside Tourist Accommodation

Medium: Land-Based Recreation: picnic areas
trails
golf
Cultural Variety: Interpretation Centers
Local Arts Display
Special Events
Historical Sites

Low: Scenic Drives
Shopping
Dining Variety

4.2 LIABILITIES

Lesser Slave Lake offers the opportunity to present a variety of natural features and tourism destination developments. However, successful development of the area must overcome the following potential barriers:

Limitations to Tourism Development

- **Small local market**
- **Intervening opportunities influencing the secondary market**
- **Lack of image**
- **Weather cool and unstable**
- **Lack of recognizable historical theme for integrated development**
- **Poorly trained service sector**
- **Distance from town sites to lake access**
- **Lack of boating facilities near popular beaches**
- **Limited lakeside development sites**
- **Short warm season**
- **Waves and high winds (east basin)**

4.3 TOURISM FACILITIES

Local services are concentrated in the centers of High Prairie and Slave Lake. Most of the area services developed in response to the needs of work crews. These facilities are not adequate to respond to tourist needs and expectations.

The existing hotel/motel supply is operating at about 70 percent occupancy with tourist use accounting for approximately seven percent of demand. No hotels in the area offer a combination of: recreation facilities, attractive grounds, architectural design and lakeside views. Most of the existing facilities cater to work crews and are unable to consistently meet tourist expectations of service, cleanliness, furnishings and repair. It is highly desirable that accommodations catering to tourist needs be developed in the region.

Both High Prairie and Slave Lake are well supplied with restaurants and fast food restaurants, but few are of sufficient quality or interest to attract tourists. Restaurants featuring specialty dishes such as local fish resources or wild game would be an asset.

There is an oversupply of campground space in the region, all of which offers few facilities and amenities. There is a strong demand for camping in the area and a need for highly serviced campgrounds adjacent to beaches and/or marinas.

4.4 TOURISM SERVICES

The town of Slave Lake provides a reasonable range of services for tourists. However, merchants have oriented their services to the local market and work crew traffic. Slave Lake has the potential to become the major tourism service center in the area, but it will have to develop more services specifically oriented to tourists (eg. sporting goods, souvenir shop, fast foods, local crafts, specialty restaurant).

High Prairie has a more limited range of tourist services. This town is less likely to be a major lake recreation service center, but merchants should be encouraged to begin broadening their services towards summer tourist needs.

There are almost no retail services available at lakeside. This is the most critical service shortage in the area. Canyon Creek (south shore) and the Diamond Willow campground (near Marten River) are the only lakeside services available, and both are limited in their appeal.

4.5 PROMOTION AND IMAGE

Lesser Slave Lake is not well known to most tourists outside of the primary market. The development of effective promotions for the area is critical to the stimulation of tourism demand, and may have a dramatic impact upon tourism growth. The development of an image as a lakeside resort will support tourism growth.

We recommend that promotions be targeted to specific markets: an example is Edmonton based families. These tourists must receive information about the area in advance of their departure from Edmonton. The information must be needs oriented and promote: lake/beach quality, resort atmosphere, services and accommodations, and family based recreation opportunities. Concerns about the weather must be resolved either by suggesting travel times when weather patterns are stable or offering poor weather alternatives.

Facility and service operators must ensure that they spend an adequate amount promoting themselves. We recommend that businesses catering to the tourist trade spend two to five percent of their anticipated gross revenues on promotion targeted toward key market segments.

4.6 LIMITING THE NUMBER OF SITES

Although Lesser Slave Lake has languished for many years with little tourist facility development, there are currently numerous development proposals being considered. These proposals include the following:

- Marina developments (Joussard, Canyon Creek, Slave Lake)
- Hotel developments (Slave Lake, Joussard, Canyon Creek)
- Shopping center development (Slave Lake)
- Museum development (Grouard, Slave Lake)
- AVC leisure facility (Slave Lake)

These proposals indicate that many in the local area are interested in attracting tourists. The proposed developments would all be attractive in some measure. However, we expect that the tourist trade will develop gradually, and that tourist investments will be most effective if they integrate a number of services. Private sector investors can, of course, invest where they please and take according risks. However, where public sector funds are involved, we recommend that the funds be focussed upon one or two development sites, rather than spread across several locations.

PROVINCIAL TOURISM GENERATORS

5.1 PROVINCIAL TOURISM GENERATORS

The two Provincial Parks in the area are already tourism generators. Further upgrading and development will support increased tourism only if it is integrated with private sector and municipal endeavors. Lesser Slave Lake Provincial Park has the highest potential to increase area visitation, but developments must respond to area tourism development priorities (See 5.1). Hilliard's Bay offers limited opportunity to generate increased traffic unless beach access is improved, and the Woodland Cree Center is developed. In both cases, the development of increased tourism services at lakeside is critical to success. It is desirable that the private sector be involved in the development and operation of lakeside services, while the province addresses the need for improved land-based opportunities and cold weather opportunities.

5.2 TOURISM DEVELOPMENT STRATEGIES

The development of tourism in the Lesser Slave Lake region is based upon excellent scenic and lake resources, but hampered by a short season and poor weather patterns. In order to provide regional benefits, investment must address the specific needs of tourists, and must be placed where the return to the region will be the greatest. Provincial government investment in the area should be highly integrated with private and municipal sector investments and should address the following **priorities**, in the order indicated:

1. **Lakeside resort opportunity**
2. **Improved marketing and promotion**
3. **Improved water access**
4. **Improved land-based recreation**
5. **Cultural tourism opportunities**
6. **Cold month opportunities**

The following discussion of potential generators analyzes the potential to implement this recommended strategic approach.

5.3 LAKESIDE RESORT DEVELOPMENT

The greatest tourist attraction is the presence of high quality beaches and lakeshore vistas. The development of this resource will require that a fully serviced resort be available adjacent to a major beach site. Potential locations for this attraction are listed below in **priority** order:

1. **Devonshire Beach (east shore)**
2. **Shaw's Point (northwest shore)**
3. **Ollman's Creek**
4. **Marten River campground (northeast shore)**
5. **Canyon Creek**
6. **Joussard**

This rating was arrived at by assigning scores, based upon the following weightings (see Appendix 6):

Beach Quality = 10
Service Access = 8
Scenic Quality = 6
Developable Land = 4
Market Proximity = 3

In our analysis, Devonshire Beach emerged as the overwhelming preference for a lakeside development. This site benefits from being located near the town of Slave Lake, and also from being adjacent to an excellent nine hole golf course. This site is superior in all aspects measured, but has two obvious limitations: (1) sand bars and wave action make boating activities difficult, and (2) winter winds could make the site undesirable in the offseason. As well, we do not know what limitations will affect sewage and grey water disposal.

The development at Devonshire Beach (see Figure 4) will have to be an integrated development, in order to be successful. Ideally, it will offer camping, fixed roof accommodation, sales and services, rentals, and recreational access to beach, golfing, trails and playgrounds. It should also offer indoor recreation and should be developed to maximize its offseason potential. The major elements of this development are assessed in the following discussion.

Fully Serviced Campground

The proposed campground is a 120 unit fully serviced campground, with spaces for recreation vehicles and possibly for platform tents. This campground will offer beach access, trails, golfing adventure playground area, showers and other amenities.

The campground will provide a significant attraction to the area. The camping demand that can be attracted to the east end of Lesser Slave Lake by 1994 will generate a potential 68 000 site rental nights of use. The campground supply on the east basin could meet less than one-half of that demand. The proposed campground resort would place 12 000 site nights on the market. The proposed campground would add a new range of accommodation to the area, and would be differentiated from existing services by a higher gate fee.

Feasibility and Benefits - 120 Unit Campground

Projected Occupancy Rate Site Nights

May	510	(15%)
June	1 360	(40%)
July	3 060	(90%)
August	2 380	(70%)
Sept.	680	(20%)
October	680	(20%)

Total: 8,670 party nights (x $15.00)

Average of 3 persons/night =	26 000 persons
Campground Revenue =	$130 050 camping
Other Revenue =	$39 000 (sales/rentals)
Total Gross =	$169 000
Expenses =	$122 000
Net Profit =	$47 000

Economic Benefits

Total Capital =	$510 000
Provincial Contribution =	$200 000 (40%)
Private Capital =	$310 000
Capital Related Benefits (1.5) =	$765 000
Capital Related Jobs =	10
Annual Local Benefit =	$1 400 000
Annual Related Jobs =	28

Estimated Camping Demand - West Basin - 1994
(Party Nights)

Market	High	Medium	Low
Primary	9 000	6 570	4 140
Secondary	73 080	53 620	34 150
Tertiary	8 280	6 080	3 870
Alaska	2 810	1 950	1 080
Totals:	93 170	68 220	43 240

This campground development will be an efficient generator of tourism demand. We expect it to attract large numbers of new visitors that have not previously come to the area. Given the relatively small cost to the provincial government, the development will have a markedly beneficial impact upon the local tourism economy.

10 Unit Deluxe Cabins - Lakeside Resort Development

We have proposed that 10 deluxe cabins be constructed adjacent to the campground. These cabins would offer 500 square feet of space, with full services and recreational amenities like a jacuzzi, grounds and play area. The cabins would offer the accommodation unlike that currently available in the area.

Feasibility and Benefits - 10 Unit Cabin Resort

Predicted Occupancy:

October - April: 30 weeks; 2 100 room nights
avg. occupancy-40%; 840 room nights @ $60.00
May - September: 22 weeks; 1 540 room nights
avg. occupancy-70%; 1 080 room nights @ $80.00
Total: 1 920 nights(avg. 3 persons/night) =
5 760 persons

Gross Revenue =	$136 640
Expenses =	$94 300
Net Profit =	$42 340

Economic Benefits

Total Capital =	$675 000
Prov. Share (35%) =	$240 000
Net Private Capital =	$435 000
Capital Related Benefits (1.5) =	$1 012 000
Capital Related Jobs =	13
Annual Benefits to Area =	$310 700
Annual Jobs =	9

Cabins were chosen rather than a hotel, because a) they would diversify the accommodation base, and b) they are more likely to attract offseason use. We expect these cabins to be very busy during the summer months, since family respondents in focus groups indicated that 68 percent preferred fixed roof accommodations, and there is a significant shortage of lakeside cottage opportunities throughout the province. These cabins would play a major role in helping to create a "lakeside resort" image for the area. Even those who couldn't afford to stay there would be attracted to the area by this opportunity. The cabins are also critical to extending the tourism season.

Visitor Lodge

Due to concerns about inclement weather, and the need to extend the season into cool and cold months, we have included a visitor lodge in the potential development. The lodge will include 10,000 square feet of space, and accommodate a range of activities, including indoor family activity area (meeting area option), fast food concession, equipment rentals concession, laundromat and interpretive display area.

Feasibility and Benefits - Visitor Lodge

Day Use Stimulated =	**4 500**
Overnight Use Stimulated =	**6 350**
Operating Expenses (prov.) =	**$29 000**
Capital Cost (prov.) =	**$1 000 000**

Economic Benefits

Capital Related Benefits =	**$1 500 000**
Capital Related Jobs =	**20**
Annual Benefits =	**$444 000**
Annual Jobs =	**9**

The visitor lodge will address a major concern of families who require cool weather activities. This will help promote the area, and will enlarge the potential market and extend the season. Although the proposed resort would provide upscale accommodations, we would propose that the day use attractions supported by the government be available to all.

5.4 IMPROVED WATER ACCESS: MARINA/BOAT LAUNCH

The development of a marina and boat launch is required so that lakeside tourists can enjoy boating during the summer. Currently, tourists in the area complain that there is no convenient boat launch in the east basin of the lake, and that there is no marina to allow boats to be kept near accommodations. The west basin is similarly underserviced with these opportunities, although tourists have a basic boat launch available at Hilliard's Bay Provincial Park.

The federal government is currently undertaking an assessment of boat launch/marina locations on Lesser Slave Lake, and we will not attempt to second guess their findings. However, we are aware that no analysis is being undertaken of Devonshire Beach, and in our opinion, there are severe limitations to marina operations in this area. The potential locations that have been considered for a marina (see Figure 3) include:

1. **Lesser Slave River**
2. **Joussard**
3. **Canyon Creek**
4. **Oilman's Creek**

All of these sites would be beneficial for tourism in the area, but we expect that none of them will be an ideal location. The presence of a marina on the east basin will not overcome the significant hazards for boaters that wish to use that side of the lake. However, tourists should have boat launches available near Marten River, Devonshire Beach, Slave Lake, Canyon Creek, Spruce Point (Kinuso), Joussard and Hilliard's Bay.

Our analysis of a potential marina at Joussard reflects the analysis completed for the Joussard Sports Association in 1984 and in 1988.

Feasibility and Benefits - Joussard Marina (1994)

Operational Season -	**100 days**
No. of Slips -	**95**
	(Predicted demand-180 slips)
Occupancy Rate -	**100%**
Use: Weekends -	**(26 days x 300 people) = 7 800**
Weekdays -	**(74 days x 150 people) = 11 100**
Total:	**18 900**

Capital Required =	**$1 160 000**
Gross Revenue =	**$218 500**
Expenses =	**$131 100**
Net Revenue =	**$87 400**
Capital Benefits to Region (1.5) =	**$1 740 000**
Capital Related Jobs =	**23**
Annual Benefits to Area =	**$425 250**
Annual Jobs Related =	**9**

We expect the demand for a marina in the east basin to be somewhat lower, unless the marina can be located adjacent to significant tourist accommodations. Despite the obvious need for marina developments, we question whether the presence of a marina will create an accommodation demand in any area other than adjacent to a high quality beach.

5.5 IMPROVED LAND-BASED OPPORTUNITIES: GROUARD TRAIL

While lake use will always be the largest summer attraction in the area, there is a potential benefit in the development of land recreation opportunities. This attraction adds significant potential overall: the benefits will be greatest during cool weather periods and cold months. The major opportunity appears to be the development of a trail system to support hiking, trail riding, snowmobiling and cross-country skiing.

Alberta Recreation and Parks has proposed that these activities be accommodated on a trail across the north shore, connecting Lesser Slave Lake Provincial Park and Hilliard's Bay Provincial Park. This trail approximates a probable historic trail, and offers a long distance recreational travel opportunity.

Unfortunately, we found little evidence of any market demand for such an opportunity. The trail suffers from a lack of topographic variation, and a corresponding lack of viewpoints. It is also unappealing because it crosses significant lowlands that are not well-suited to summer use. Users would prefer a loop trail that allows them to circle back to their staging area. As well, the proposed trail has potential to create complications with existing forest leases.

Existing trail use has been drawn to the upland areas where topographic variation and scenic views are an amenity. Snowmobilers, for instance, have been attracted to the Swan Hills Uplands, and cross-country skiers to the uplands southeast of Slave Lake. There is also an existing trail from Marten Mountain, and opportunities in the Marten Hills. We would suggest that these are significant options that should be explored in preference to the Grouard Trail.

The potential benefits of trail development in the area are difficult to estimate. However, we believe that trails will have an important impact upon tourist attraction, especially during the winter months when attractions are badly needed.

Based upon the 1988 General Recreation Survey, the order of priority for trail development should be as follows:

1. **Walking (jogging) trails along shoreline, near accommodation.**
2. **Bicycle trails along shoreline offering scenic views.**
3. **Horseback trails.**
4. **Cross-country ski trails (loops).**
5. **Snowmobile trails.**

5.6 CULTURAL TOURISM OPPORTUNITIES

- Lesser Slave Lake Visitor Center
- Woodland Cree Interpretive Center
- Town of Slave Lake Visitor Information Center

The Lesser Slave Lake area offers a colorful cultural milieu that could attract tourists. However there is a lack of historical/cultural interpretation in the area. Cultural interpretation will be effective in attracting tourists to spend "an extra night" in the area, and in encouraging travellers to take a short detour from their trip. Interpretive centers also offer an indoor attraction; ideal for inclement and cold days. As well, cultural attractions will draw a new tourist segment into the area.

The Woodland Cree Interpretive Center (see Figure 3) proposed for Grouard, offers significant potential as a tourist attraction. Its major theme is of interest to people, but it must be the best of its kind. If people perceive it to be "one more native handicrafts museum", it will not attract a large market.

The choice of Grouard as a site offers local advantages (donated land, existing cultural studies and artifacts), but is difficult for the tourist. Grouard is far enough from markets and from the "beaten track" that it may suffer unnecessarily low visitation. The figures presented below are from the recently completed feasibility study (27).

Feasibility and Benefits - Woodland Cree Interpretive Center

Projected Visitation -	**35 600**
Tourist Visitation -	**28 000**
Capital Investment -	**$7 574 000**
Projected Gross Revenue -	**$17 800**
Estimated Operating Cost -	**$360 000**
Net Revenue -	**$342 200**

Economic Benefits

Capital Related Benefits -	**$9 800 000**
Capital Related Jobs -	**132**
Annual Related Benefits -	**$630 000**
Annual Related Jobs -	**19**

A visitor information center at Slave Lake would provide a major entry point to the area. It would be located adjacent to Highway 2, at the turnoff north to Lesser Slave Lake Park. The cost and benefits for this center would be similar to those for the Woodland Cree Center. Assuming this center provided excellent displays describing the culture and natural history of the area, as well as providing a visitor information function, this center could provide a combination of promotion and cultural attraction. The center could be built for 5.5 million and operated for $300 000, of which little could be recovered directly from

visitors. However, we estimate that over 100 000 visitors would stop at the center annually, and that as many as 30 000 visitors would be convinced to spend several hours in the area. This would create expenditures of at least $450 000 in the region annually, supporting 14 jobs.

5.7 COLD WEATHER OPPORTUNITIES

There is no question that the short warm season is a major limitation to tourism development. Any opportunity to attract tourists in the offseason should be explored. Hunting, fishing, cross-country skiing, snowmobiling, and conventions/meetings appear to be promising possibilities. The greatest requirement for improved cold weather use is the development of suitable accommodation and trails.

The major tourism investment opportunities are shown in a comparative analysis in Table 1.

ROLES OF PARTICIPATING SECTORS

In order for tourism to work, every sector must see itself as a player. In the Slave Lake region, because of the distance from large markets, and the limited summer season, cooperation and coordination are critical requirements. In its initial stages, the tourism industry in the area will be somewhat fragile, and will require patient support, and cooperation by all parties. There is a great need to establish priorities and to stick to those priorities.

The roles of the various sectors during the development period are outlined below:

Provincial Government
The participation of the provincial government is critical to the development of the tourism industry in the study area. There are three key areas where the provincial government must provide resources:

1. Planning
Communities and regions require assistance to establish appropriate tourism strategies and priorities. This need is being addressed through the Community Tourism Action Plan program.

2. Development of Attractions
Because the initial cost of developing attractions is high, and the potential for cost recovery is low, the provincial government is a necessary source of funding. The development of attractions is intended to attract new tourists to the area, and to generate expenditures on services and goods.

We recommend that the provincial government consolidate its investment with those of the private sector, the municipal sector and the non-profit sector. The best tourism generators for the Slave Lake area will be consolidated tourism resorts, offering a range of recreation opportunities. This will require provincial government investment. We recommend that service and infrastructure support be offered, along with landscaping, trails and visitors lodge.

3. Promotion and Marketing
The area needs to develop a tourism image and to make that image known to its potential markets. This promotion requires coordination and funding. This need is being addressed by the TEAM TOURISM program.

Private Sector
The success of the tourism industry is ultimately dependent upon the skill and imagination of the entrepreneurs who offer services and goods to tourists. It is only through the sale of these goods and services that the area can capture new revenue from tourists.

The Sawridge band has become involved in the tourism business in Jasper, and may be interested in broadening its investment at Slave Lake. There is a proposed 40 unit hotel in Slave Lake that may provide accommodation aimed at tourists. On the whole, though, we have not sensed a ready initiative from private entrepreneurs prepared to invest in the Lesser Slave Lake area. This may be partly related to the limited prime tourism season, and partly due to the traditional role of the towns as industrial or agricultural service centers. There may be a reluctance to enter the risks associated with the tourist trade. The first entrepreneurs to enter the game will be taking the highest risk and will be closely watched by other potential entrepreneurs. All sectors should support these entrepreneurs and help them to demonstrate success. Without proper planning and marketing the potential for early failures is high, and the area can ill afford the setback.

Private sector owners and operators can contribute enormously by ensuring that service staff are trained in the art of customer relations, by developing services and promotions aimed at tourists, and by supporting quality and consistency in services.

Municipal Sector

The municipalities are important local leaders in the tourism business. They must demonstrate a commitment to tourism by beginning to improve the appearance of towns or facilities, and by developing potential attractive opportunities for tourists.

All of the municipalities in the study area are encouraged to create a higher tourism profile by a) developing attractive entrances to "Lesser Slave Lake Country" (especially at Slave Lake and High Prairie), b) improving the appearance of tourist areas, c) encouraging the development of tourist-oriented shops and services, and d) developing local cultural or historical attractions. The municipalities can also play an important role by ensuring that support services are accessible to tourists, and designed to meet their needs (eg. ambulance, police, waste disposal).

Non-Profit Sector

The non-profit sector is already playing a significant role in the development of tourism attractions in the area. The nine hole golf course near Devonshire Beach was initiated by a local society. As well, native and Metis societies have shown leadership in pursuing the development of the Woodlands Cree center and a Metis museum. Ski and snowmobile clubs are active in the area, and the Joussard Sports Association has pursued the development of a marine complex. There is no lack of initiative among these societies, and they are currently doing everything possible to develop tourism.

CHAPTER • SEVEN

CONCLUSIONS

Lakeside Development:
In order to accelerate the growth in tourism demand for Lesser Slave Lake, the area must develop an image as a lakeside resort. This will require that priority be placed upon the development of accommodation and activities adjacent to the lakeshore.

Limitations:
Lesser Slave Lake is limited as a summer tourist resort by short summers, by variable weather patterns, and by potentially high winds and waves on the lake. These factors combine to make it difficult to consistently attract visitors to any tourist development.

Common Priorities and Cooperation:
At present, the market for Lesser Slave Lake is limited. A number of proposed developments dispersed around the shore of the lake are likely to each struggle to be financially viable. We strongly urge all the sectors involved in tourism development to establish mutual priorities and to cooperate in the creation of viable tourist attractions. Only one or two tourist developments on the lake should be contemplated at this time.

Indoor Activities:
Potential visitors have an impression that the weather is cool and variable. This creates a barrier for families. The perception is partly correct, and there is therefore a need to provide more indoor activities for tourists (eg. visitor lodge, shopping, museum, leisure center).

Offseason:
The area must develop improved offseason attractions. The best start seems to be at the Grizzly Ridge ski area south of Slave Lake. We also believe that snowmobile opportunities can be developed south of the lake along the uplands. The Devonshire Resort should be developed with winter in mind, but this may be difficult, given the site exposure and the on-shore winds.

Marketing and Promotion:
Lesser Slave Lake offers a beach setting unmatched in Alberta, but few people know of it. More than most places, this one needs to be promoted. Edmonton is the key market and promotions should be targeted to families and seniors in this city.

Grouard Trail:
There are probably good reasons to develop the Grouard Trail. Tourism is not one of them. We do support the value of trail development, however. Trails will be most attractive if they are located along scenic uplands and along the lakeshore.

Interpretive Centers:
The Woodland Cree Interpretive Center provides an excellent theme for a regional museum. Grouard, however, is a difficult location for it. In order to do well, this center will have to be the best of its kind. The proposed visitor information center for Lesser Slave Lake is also attractive, but should be integrated with other developments. We recommend that it be integrated with an arrival/interpretive center at the junction of Highways 2 and 67, southeast of Slave Lake.

Marinas:
Potential marina locations appear to be limited to four sites (Joussard, Canyon Creek, Lesser Slave River and Oilman's Creek). It is unlikely that a marina can be operated at Devonshire Beach. The development of a marina is not critical to tourism development but will certainly be helpful.

Park Development:
The Provincial Parks are already tourism generators for the area. Further upgrading should be related to the priorities listed earlier. Further development at Hilliard's Bay is questionable, unless there is improved beach access and a related private sector opportunity.

TABLE 1: COMPARISON OF POTENTIAL INVESTMENTS IN TOURISM (LESSER SLAVE LAKE)

	A CAMPGROUND	B CABIN RESORT	C VISITOR LODGE	D MARINA	E INTERPRETIVE CENTER
VISITORS (TOTAL)	26 000	5 760	10 850	18 900	35 600
ECONOMIC BENEFITS					
CAPITAL INPUT	$765 000	$1 012 000	$1 500 000	$1 740 000	$9 800 000
ANNUAL EXPENDITURES	$1 400 000	$310 700	$444 000	$425 250	$630 000
JOBS, CAPITAL	10	13	20	23	132
JOBS, ANNUAL	28	9	9	9	19
INVESTMENTS					
PROVINCIAL-CAPITAL -OPERATING	$200 000	$240 000	$1 000 000 $30 000	$580 000 $131 100	$4 544 400 $180 000
PRIVATE - CAPITAL -OPERATING	$310 000 $122 000	$435 000 $94 300	$30 000		
MUNICIPAL-CAPITAL -OPERATING					
NON-PROFIT-CAPITAL -OPERATING					$3 030 000 $180 000
RISKS					
SHORT SEASON	+++	++	+	+++	+
POOR WEATHER	+++	++	+	+++	++
HIGH OPERATING COSTS	++	++	+++	+++	+++
ECONOMIC DOWNTURN	++	+++	++	++	++
COMPETITION	+++	++	+	++	++

Annotated Bibliography

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   - a projection of potential site developments in the provincial park.

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Summary Report, 1982.
- a cordon study carried out by Travel Alberta to obtain detailed information on the non-resident visitor to Alberta.
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15. Alberta Tourism and Small Business, Travel Alberta, Tourism Destination Area Study, Tourism Inventory and Assessment, Land of the Midnight Twilight, Calgary, 1983.
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- an assessment of potential tourism trends in Alberta.

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- an analysis of tourist attractions and potentials in the zone.

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- outlines potential development sites in the Lesser Slave Lake area and provides a projection of potential visitation to this proposed site in Grouard.

Personal Communications

1. Ronda Groom, Executive Director, Lesser Slave Lake Community Futures Committee.
-insight into the development of various proposed tourism developments in the Slave Lake area.

APPENDIX

1. POPULATION ESTIMATES

Slave Lake

Populations

Population of Primary Market Area

Location	Population
Canyon Creek	164
Driftpile	440
Enilda	128
Faust	344
Grouard	512
High Prairie	2,820
Joussard	269
Kinuso	280
McLennan	993
Slave Lake	5,430
Widewater	203
Total	**11,583**

Population of 3 Hour Driving Circle

Primary Market Area	**11,583**
C.D.13	54,973
C.D.16 (est.10%)	4,880
C.D.18 (est.50%)	6,794
I.D.17	12,534
I.D.19 (est.30%)	486
M.D.90	14,019
M.D.130	2,853
M.D.135 (est.50%)	764
County 31 (est.50%)	12,197
Edmonton (CMA)	785,465
St. Albert	37,008
Peace River	6,290
Grimshaw	2,575
Total	**952,421**

Population of 6 Hour Driving Circle

3 hour driving circle	**952,421**
C.D.7	40,681
C.D.8	116,611
C.D.9	15,999
C.D.10	79,745
C.D.12	43,907
C.D.14	25,309
C.D.16	48,799
C.D.18 (est.50%)	6,794
C.D.19	72,997
I.D.7	1,145
I.D.8	1,106
I.D.9	6,063
I.D.12	3,927
I.D.20	2,922
I.D.21	2,992
I.D.22	4,451
I.D.23	6,942
S.A.4 (est.50%)	884
S.A.2 (est.50%)	1,269
M.D.44	17,484
M.D.47	2,120
M.D.48	4,996
County 17	8,886
Calgary (CMA)	671,325
Saskatchewan (estimate)	13,000
British Columbia (estimate)	30,000
Total	**2,182,775**

Source: 1986 Census of Canada

APPENDIX

2. VISITOR CHARACTERISTICS

Non-Resident Visitors to the Zone

Lesser Slave Lake lies within Tourist Zone 14 - Land of the Midnight Twilight.
From the Alberta Travel Survey 1982 194,000 non-resident household parties with an average party size of 2.08 people visited Zone 14 in 1982 for a total of 403,520 person trips.
Of those, 19,000 household parties or 34,000 persons listed Zone 14 as their primary destination.
This is about 10% of the total visits to the zone. The Midnight Twilight Zone ranks thirteenth out of fourteen zones as a destination area in Alberta, and captured only one per cent of total non-resident destination travels on a year-round basis.

Origin of Visitors to Land of the Midnight Twilight 1982

	All visits To Zone	Zone Main Alberta Destination	Overnight in Zone
Canada	67%	91%	61%
• B.C.	32	54	33
• Saskatchewan	12	21	14
• Manitoba	9	10	5
• Ontario	5	4	4
• Quebec	1	--	1
• Atlantic Provinces	1	2	2
• Yukon	1	--	*
• N.W.T	7	*	2
U.S.A	28	6	33
International	5	4	6

* Less than 1/2 of 1%
-- Not available

Primary Trip Purpose

Most visitors to the Zone (48 %) were on vacation and those visiting friends and relatives 32 per cent. Only 13 per cent of the travellers were on business , 6 per cent were visiting for personal reasons, and 1 per cent was just passing through.

Primary Activities of Land of the Midnight Twilight Visitors 1982

	All visits to Zone	Zone Main Alberta Destination	Overnight in Zone
Activity			
Sightseeing	62%	69%	76%
Visiting	61	95	73
Relaxing	40	49	52
Shopping	36	32	32
Camping	45	40	52
Museums	26	19	29
Picnicking	22	26	28
Special Events	17	28	25
Sporting Activities (All)	71	99	102*
Fishing	15	23	29

*due to rounding
Source: Alberta Culture, 1982 Alberta Travel Survey

Alberta Resident Visitors to the Zone

Based on Travel Alberta data from the Canadian Travel Survey for 1986, a profile of Alberta resident visitors to the Midnight Twilight Zone has been assembled. It is estimated that 565,000 Albertans visited the zone in 1986 for one or more nights. Their most significant characteristics include:

- the average household party size was 2.3 people
- the average distance travelled was 275 km
- 57% of the visitors were between the ages of 20 and 44, 13% were between 45 and 64, no figures are available for the over 65 age group
- 51% of all zone trips originated in Edmonton
- 95% came by automobile
- 35% were visiting friends or relatives, 35% were travelling for pleasure, 11% for personal reasons and 19% were on business.

Existing Tourist Facilities

Camping Facilities

Campground	Location	Number of Sites
Diamond Willow Resort (PO)	Slave Lake	100
Lesser Slave Lake Provincial Park (PP)	Slave Lake	113
Sawridge Recreation Area (M)	Slave Lake	32
Assineau River Recreation Area (PP)	Kinuso	21
Jerry Creek Campground (AT)	Kinuso	30
Spruce Point Park (CL)	Kinuso	126
Canyon Creek Campground(PO)	Canyon Creek	40
Hilliard's Bay Provincial Park (PP)	Grouard	189
Shaw's Point Resort (PO)	Grouard	75
High Prairie Lions Campground (M)	High Prairie	14
Lakeshore Campground (PO)	Joussard	17
Winagami Lake Provincial Park (PP)	McLennan	64
Total		**821**

CL - Community League
PP - Provincial Park
M - Municipal
PO - Privately Owned
AT - Alberta Transportation
AF - Alberta Forestry

Source: Alberta Campground Guide, 1989

Camping and Day Use of Provincial Park Facilities

Park User Stats, Peak Season (April 15 - September 15)

Park/ P.R.A	1986 Day Use	1986 Overnight	1987 Day Use	1987 Overnight	1988 Day Use	1988 Overnight
Lesser Slave Lake	40,658	22,235	56,260	19,776	45,458	16,766
Assineau River	---	---	3,843	765	2,900	624
Hilliard's Bay	31,310	22,424	33,403	20,875	29,528	15,511
Winagami Lake	16,500	10,592	14,603	6,787	10,973	6,848

--- Data not collected

Source: Alberta Recreation andParks,Field Support Branch.

Alberta Recreation and Parks Camping Survey

Hilliard's Bay Provincial Park

Primary Place of Residence for Campers (1987)

Peace River	43.8%
Edmonton	21.3%
Lesser Slave Lake	15.6%
Calgary	4%
Lakeland	2%

Lesser Slave Lake Provincial Park

Primary Place of Residence for Campers (1987)

Edmonton	56.2%
Lesser Slave Lake	17.6%
Peace River	11.0%
Calgary	3.8%
Parkland	3.3%

Winagami Lake Provincial Park

Place of Origin for Campers	
Falher	8.3%
Edmonton	7.0%
Grande Prairie	6.3%
Peace River	6.3%
McLennan	5.8%
B.C	4.5%
USA	4.3%
Fairview	4.0%
High Prairie	3.3%

Place of Origin for Day Users	
High Prairie	24.6%
McLennan	23.3%
Falher	9.5%
Peace River	8.5%
Edmonton	2.9%
Girouxville	2.9%

Traffic Patterns

AADT and ASDT Figures for Selected Locations in the Slave Lake Area (Two way traffic volumes)

	1985		1986		1987	
	AADT	ASDT	AADT	ASDT	AADT	ASDT
Location						
Highway 2						
E of 88 SE of Slave Lake	3,240	3,410	2,660	2,790	2,820	3,020
W of 88 SE of Slave Lake	2,380	2,500	1,750	1,830	2,070	2,220
4.3 km E 2 & 749 High Prairie	2,760	2,910	2,760	2,890	2,990	3,260
Highway 750						
.5 km S 2 & 750 Enilda	960	1,000	870	910	940	1,010
Highway 33						
4.5 km S 2 & 33 Kinuso	450	480	340	380	470	510
Highway 88						
N of 2 SE of Slave Lake	2,160	2,130	2,100	2,010	1,410	1,500
S of 754 N of Slave Lake	770	760	---	---	910	950

--- Data not collected

The difference between the Average Annual and the Average Summer traffic figures provide us with a rough measure of tourist traffic in the area. They indicate the seasonal increase in traffic that can be expected during the peak season months.

Vehicle Type Statistics 1987

	Traffic Volume (two-way)		Vehicle Class (%)			
Location	WAADT	WASDT	Passenger	Recreational	Bus	Truck
Highway 2						
N of 44 S of Hondo to Slave Lake	1539	1640	75.4	4.1	0.3	20.1
Slave Lake to Kinuso	1421	1534	81.5	2.3	1.6	14.6
High Prairie E of 749	6380	6740	91.0	1.5	2.3	5.2

The WAADT and WASDT traffic volumes are weighted over a certain section of the highway, as opposed to the AADT and ASDT figures which are for a specific point on the highway.

Source: Alberta Transportation and Utilities, Traffic Information Services

Air / Rail / Bus Access

No regularly scheduled commercial air service is available to the area, airports are located in High Prairie and Slave Lake served by several charter flight companies. There is no passenger rail service to the area.
Greyhound Bus Lines operates regularly scheduled bus service to Slave Lake,and along Highway 2 through the communities of Canyon Creek, Kinuso, Faust, Driftpile, Joussard and Enilda to High Prairie.

None of the tour companies operate tours that stop in the area. Visitors by bus were mentioned however as being a significant portion of visitation at AVC Grouard. These appear to be locally organized bus tours primarily for seniors, the one mentioned was the Battle River Seniors Association.

Contacts

Chamber of Commerce - Slave Lake	849-2006
Town of Slave Lake, Manager (Bernie)	
Recreation and Culture (Phil)	849-3606
Bruce Thomas	849-4350
Paul Pierre (Chamber of Commerce)	849-5044
Mo Rehmtule (Business Development Office)	849-3232
Jim Pederson (Gilford Golf & Country Club)	849-2276
Moe Laberge (Highway Motor Inn)	849-2400
Chamber of Commerce - High Prairie	523-3505
Marie Savill (Indoor Rodeo)	523-4441
Ellis O'Brien (North Country Fair)	523-4586
Mary Periard AVC Grouard	751-3915
Bill Venderaegan (Stampede)	523-4431

School Enrollment Figures 1987

(Includes Elementary, Junior High and Senior High)

East Smoky School Division # 54	1,763
High Prairie School Division # 48	3,342
Swan Hills School District # 5109	372
High Prairie RCSS District # 56	370
McLennan RCSS # 30	143
Alberta Vocational Centre	1,500
Total	**7,490**

APPENDIX

3. FACILITIES & ATTRACTIONS

Accomodation (Alberta Accomodation Guide 1989)

Name	Units	Extras	Rating
Slave Lake			
Highway Motor Inn	76 units		3
Nash's Cabins	3 cabins	Log cabins nr. beach	3
Northwest Inn	68 units	Rest, lounge, sauna	2
Sawridge Hotel	183 units	Rest, lounge, pub, sauna	2
Rustic Motor Inn*			3
Slave River Motel*			3
****High Prairie**			
Key Inn	43 units	Sauna	2
Northern Lites Motel	16 units	Rest, lounge	3
Raven Motor Inns	48 units		3
Villa Motel	12 units		3
McLennan			
McLennan Motor Inn	26 units	Rest, lounge, sauna	3

* These two motels are not attractive to the tourist market, they cater primarily to the working crews, not listed in the Alberta Accomodation Guide.

** All of these motels are "good" according to the Chamber of Commerce, their occupancy rates are very high all year round, in fact higher during the winter due to use by oil and seismic crews in the area (often 100%). The Town is badly in need of more accomodation which caters to the visitor.

Rating system: 1. Full service, year round resort-type accomodation (eg. Jasper Park Lodge)
2. Mid-range, some extras available for the visitor.
3. Basic sleeping accomodation only.

Restaurants

Slave Lake (12)
Aja Pizza and Steak House
B & W Dairy King Drive-In and Restaurant
Beachway Cafe
Burger Baron Drive-In
Dragon Garden Restaurant
Fisherman's Cove
Gold Phoenix Restaurant
*Joey's Incredible Edibles
Kim Twon Restaurant
*Northwest Inn
*Sawridge Hotel
Sawridge Truck Stop

High Prairie (11)
Burger Baron Pizza Steak House
Carrie's Diner & Catering
Chicken Village
*Family Inn Restaurant & Dining
Grannie's Country Burger
Kopper Kettle Restaurant
New Orion Restaurant
*Northern Lites Motel
Pizza Village
*Sidell's Restaurant & Dining
The Pizza Factory

Faust
Lakeside Coffee Shop

McLennan(2)
Morgan's Restaurant (McLennan Hotel)
Dining Garden Restaurant

Kinuso
Strawberry Service Station Restaurant

Regional Tourist Attractions

Hilliard's Bay Provincial Park	Grouard
St. Bernard's Mission Church	Grouard
Alberta Vocational College and Native Museum	Grouard
High Prairie and District Centennial Museum	High Prairie
Lesser Slave Lake Provincial Park	Slave Lake
Winagami Lake Provincial Park	McLennan

Local and Regional Events and Attendance

Town/Community	Date	Out-of Town	Local	Total
High Prairie				
High Prairie Trade Show	April			
Indoor Amateur Rodeo	May	700-800	800	1,500-1,600
North Country Fair	June	2,000	1,000	3,000
- Folk Festival (Spruce Point Park)				
Agricultural Fair	August			
Elk's Stampede and Professional Rodeo	August	5,000	1,000	6,000
Golden Walleye Derby	All Summer	200	300	500
Heritage Days	August	70	280	350
Pioneer Thresherman's Exhibition	July	400	600	1,000
Grouard				
Kapown Days (Hilliard's Bay picnic)	July		250-300	250-300
Kinuso				
Agricultural Fair	August			
Slave Lake				
Riverboat Days	July	1,500-2,000	3,500	5,000-5,500
Golden Pike/Walleye Fishing Derby	All Summer			500
Cultural Days	September			
Alberta Open Sandcastle Competition	July			1,800-2,000
Canyon Creek Regatta	August			
Volksmarche	June	40	15	55
Trade Fair		300-400	1,400	1,700-1,800
Cultural Days (Native Friendship Centre)	September	250	750	1,000
Curling Bonspeils (Participants only)		232	408	640
Gilwood Golf & Country Club				
- Green Fee Players		4,500		
Minor Hockey Association Tournaments (5)		300		

At present there is only one boat rental outfit in Slave Lake, Moe Laberge of the Highway Motor Inn. Last year he purchased 3 aluminum car-top style boats with small motors for rental. The boats were kept busy all through the summer by both local and tourist renters. His friend Henry Schweem of H&E Honda is also thinking of going into the boat rental business.

No licensed Class A Guides known to operate out of Slave Lake according to the Chamber of Commerce.

4. FOCUS GROUP RESPONSES

SLAVE LAKE RECREATION SITE
CONCLUSIONS BASED ON FOCUS GROUP RESEARCH

The focus group research presented in the summary tables generates several conclusions which provide the basis for several planning assumptions.

SENIORS

- Seniors will travel to a recreation facilitiy - both Calgary and Edmonton seniors showed strong interest
- Seniors offer potential in the shoulder season as they indicated this was a preferable time for many of them
- Seniors felt the weather would be colder once they knew the site was in northern Alberta
- Seniors felt the facility would not be as completely developed
- Seniors preferred the facility to be less developed than did family respondents
- Seniors prefer less crowded facility
- Seniors will use either campground facilities or fixed roof but fixed roof was preferred by 52%
- Seniors expect to meet other travelers (in campground, in local community, etc.)

- Seniors will attend campground programs [some potential for interpretive programming

- Seniors indicated that they would purchase several items - they showed particular interest in artifacts, printed material, and items unique to the area

FAMILIES

- Families will travel to a recreation facilitiy - Calgary, Saskatoon and Edmonton showed strong interest but the Calgary respondents indicated that they would go west to the mountains and B.C. rather than travel to northern Alberta

- Families offer potential in the peak season as they indicated this was a preferable time for many of them

- Families felt the weather would be colder and unreliable once they knew the site was in northern Alberta

- Families require that the facility be as completely developed as possible

- Families would not use for an extended stay but more for a few days duration

- Families expect more crowded facility

- Families will use either campground facilities or fixed roof but fixed roof was preferred by 68%

- Families require support for the children

- Families will go to shops in the area

- Families want boating, children's activities and also indicated the need for a food store, and medical support

- Families would buy more items of interest to the children

FOCUS GROUP RESEARCH

FOCUS GROUP PARTICIPANTS

LOCATION	ORIENTATION	RESPONDENTS FEMALE	MALE	TOTAL
SASKATOON	FAMILY	5	4	9
EDMONTON	FAMILY	6	4	10
CALGARY	FAMILY	5	4	9
SUB-TOTAL		**16**	**12**	**28**
CALGARY	FAMILY	6	5	11
EDMONTON	FAMILY	5	5	10
SUB-TOTAL		**11**	**10**	**21**
TOTAL		**27**	**22**	**49**

The focus groups were organized in each of the markets identified in the table. The first focus group was held in Saskatoon (1) followed by groups in Edmonton (1), Calgary (2), and Edmonton (1). The first focus group was held in late February and the last focus group was completed on March 10, 1989.

The groups were taken through two scenarios. Due to the fact that there may be some potential source of bias in the ordering of the content for the focus group, the order of presentation was reversed in each group. Thus, there is one senior group that followed each order while two of the family groups had the recreation profile first and the other received the historic site component first. In the first focus group in Saskatoon received the recreation component first.

The results reported in the following sections are presented in parallel for family and senior groups and by major research component (recreation facility and historic site). The data are presented on a question by question basis.

A. Recreation/Lake Scenario

The focus group for recreation followed three steps: first, the respondents were asked to imagine a recreation experience based on a paragraph of preliminary information; second, they were asked to identify locations where they thought they might be when they experience this setting; and third, they were told the location was in Northern Alberta. The purpose was to determine their expectations as well as to uncover barriers to Northern Alberta once they were told that this is where the experience would take place.

The information provided to the respondents at the first step was as follows:

> **Situation:**
> You are on vacation. You (and your family) are relaxing at lakeside.
>
> **Description:**
> You are standing on the long white sandy beach, gazing out at the waves that are rolling in toward the beach. You can feel the summer breeze on your skin, and the clean wet sand in your toes. In the distance, you can see the horizon, where the lake meets a clear blue sky. As you look along the beach, you notice the shore birds flitting among several large pieces of driftwood. Beyond the beach, you can see the thick forest that surrounds the lake.

Results

The research results are presented in two columns to reflect the family oriented data and the data from the seniors market. The data is presented for one question at a time and followed by a summary of the reaction to the concept when they find it is located in Alberta.

Question 1
How many people are on the beach, and what are they doing?

Seniors	Families
People walking/ not too crowded	More crowded
Children in the water	Couples
Paddle boats	Sunbathers
Surfing	Lots of children
Family get togethers	Lots of activities
Beach facilities	Beach facilities
Boat rides	Boat rides
Rental boats	

Question 2
How many people are in the water, and what are they doing?

Seniors	Families
Lots in the water	Children/families in the water
Children/adults	Children playing
	Young couples
	Young groups

Question 3
Where are you staying? What amenities have drawn you to this site?

Seniors	Families
Campground [47.6%]	Campground [32%]
Hotel/motel [52.4%]	Hotel/motel [68%]
Full servicetrailer parks	Full service hotel
Full service hotel	Support for children
Site for extended stay	Activities and shops
	Full service trailer park
	Site for full destination vacation

Question 4
What are your children doing? What do they love about this area?

Seniors	Families
	Children playing on the beach
	Surfing
	Wind surfing boards
	Riding rafts
	Sailing
	Boating
	Playing with new friends

Question 5

When you leave the beach, what will you do next? What will you do this evening?

Seniors	Families
Prepare dinner	Relax at hotel
Go out to dinner	Go out to dinner
Go to shops	Look at local shops
Meet other campers	Do whatever the resort has to offer
Attend camp programs	

Question 6

What services are available in the nearby commercial centre for your enjoyment and convenience?

Seniors	Families
Shops - local to the area	Shops
Gifts	Activities for children [e.g., movies, mini-golf, etc.]
Art	
Unique area interests	
Unique area products	

Question 7

Is the area commercially developed or is it relatively natural and isolated? On a scale of 1 to 10, where 10 means the area is a complete resort centre, which is very popular and includes every amenity, and 1 means the area has very little development, and only basic support services, what number would you assign this area?

Seniors	Families
Area is well developed	Area is very well developed
	Area has all amenities one can think of
Average 5.19	Average 6.64
1 = 0	1 = 0
2 = 3	2 = 0
3 = 1	3 = 1
4 = 3	4 = 2
5 = 6	5 = 4
6 = 2	6 = 6
7 = 3	7 = 6
8 = 2	8 = 5
9 = 1	9 = 3
10 = 0	10 = 1

Respondents were then asked where they thought they were located while enjoying this experience.

Seniors		Families	
B.C.	7	B.C.	6
Ontario	1	Ontario	2
U.S. West	12	U.S.West	17
U.S. East	1	U.S. East	3

Overwhelming number thought they were in B.C. or the United States. U.S. locations given included Lake Tahoe, Lake Powell, Lake Mead, Mt. Shasta, Hood River, etc.

Then the respondents were told that the location was in Northern Alberta. They were asked whether they would change any of their responses based on this new information and what was the reason for the change they would make.

Seniors	Families
Total surprise	Total surprise
Weather will be colder	Weather will be colder
Weather will be unreliable	Weather will be unreliable
Facility will not be completely developed	Will not use as an extended holiday - more as a short trip
Problems with bugs	Problems with bugs
Ok for Shoulder season	Ranking would fall
Ranking would fall	
Calgary seniors would try it	Saskatoon families would try it [12 hour distance may be "ok" from this market
Edmonton seniors would try it	Calgary families would not try it - competes with the rockies and B.C. [12 hour distance is too far for this market]
Seniors do not focus on fixed roof needs	Edmonton families would try it [some have] [6 hour market is very interested]

B. Historic Site Scenario

In the case of the historic site, the following information was rprovided to the respondents:

Situation:
You are on a vacation. You (and your family) are visiting a historic site.

Description:

You have just entered the historic site. You notice that everything is as it was in the 1870's. You notice the simple, but majestic lines of the church and rectory ahead of you. The historic buildings contrast with the beautiful river valley setting. You wonder where you can purchase tickets for the paddle wheel steamer that will take you down the river.

Question 1

What are you most interested in experiencing at this site?

Seniors	Families
Review of history	Review of history
Reminisce of days gone by	Paddle steamer very attractive to children
Paddle steamer [clear second]	Chance to explain to children about transport in older days and have fun at the same time
	Paddle steamer is equal to site in attractiveness

Question 2

How long will you stay here?

Seniors	Families
One to two days	A few hours to one overnight
Average stay 1.72 days	Average stay 0.85 days

Question 3

You have decided to stay overnight in the area. What kind of accomodation will you choose?

Seniors	Families
Campground [43%]	Campground [32%]
Hotel/motel [19%]	Hotel/motel [21%]
Either camp or fixed roof [38%]	Either camp or fixed roof [47%]

Question 4

What amenities will attract you to stay in the area for several days?

Seniors	Families
The historic site	Other activities for the family
Camping/hiking potential	Children need to be entertained
Boating potential	Boating and fishing
Travel to other locations nearby	Trail rides
Adequate parking	Adequate parking

Question 5

What other activities or events in the area interest you?

Seniors	Families
Recreation options	Food store
Boating, fishing, sporting activities like golf, cross country skiing, trails	Medical support Local activities for family

Note: People mix the words amenities and activities in their answers

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Question 6

What will you purchase at the historic site? At the service centre?

Seniors	Families
Memorabilia	Items for children
Gifts [particularly for grandchildren]	Books, prints, calendars
Art and artifacts [carvings, copies from molds, etchings, etc.]	Artifacts [as described for seniors]
Unique area products	
Books, prints, postcards, calendars, etc.	

Question 7

This historic site is noted for its excellent restorations, skilled interpreters, and excellent interpretive centre. How much will you pay to enter the historic site? How much will you pay for a 90 minute ride on the paddle wheel steamer?

Seniors	Families
<u>Historic Site</u>	
Price range [free to $4.00 per person]	Price range [free to $3.00 per person]
Some said a reduced price for seniors	A family rate [or carload rate]
Average price per person $2.27	Average price per person $1.90
<u>Paddle Wheel Steamer</u>	
Price range	Price range
[$0.50 to $3.00 per person]	[adults $1.00 to $2.50 per person]
Some said a reduced price for seniors	[children $0.50 to $1.50]
Average price per person $1.96	[children under 8 free]
	Average price per adults person $1.90
	Average price per child $0.75

APPENDIX

5. FINANCIAL ANALYSIS

SCHEDULE 1: Lodge Facility
Common, Lease and Meeting Room Area

Common Area:	Square Feet	Estimated Rev.
Registration Desk and Lobby	475	
Workshop Area	150	
Laundromat	500	
Lodge Office	150	
Washrooms	500	
Exercise Room	500	
Sauna, Whirlpool, Hot Tob	500	
Visitor/Interpretive Center	1 000	
Storage, Extra Office	625	
Total Common Area:	4 400	
Concession (Lease) Area:		
Beach Concession (2 mo)	500	$62 000
64 Seat Restaurant (2 mo)	1 000	
Kitchen for Restaurant	1 000	$66 000
Rental Station (2 mo)	200	$20 000
Gift, Candy/Card Shop (4.5 mo)	500	$30 000
Arcade (4.5 mo)	400	$24 000
Total Lease Area & Concession Sales:	3 600	$202 000
Meeting Room Area		
2 @ 500 Sq. Ft.	1 000	
1 @ 1 000 Sq. Ft.	1 000	$1 000
Total Meeting Room Area:	2 000	$1 000
Total Useable Lodge Space:	10 000	

SCHEDULE 2: Lodge Facility - Capital and Operating Costs

Capital Costs: (excluding concession areas):	
10 000 Sq. Ft. @ $100.00	$1 000 000
Operating Costs: (excluding concession areas):	
Utilities: $2 500/mo X 4	$10 000
$500/mo X 8	$4 000
Insurance:	$10 000
Repairs and Maintenance	$5 000
Totals:	$29 000

120 Unit Campground
Projected Statement of Income - First Year of Operations

	Average
Total Capital Value:	$507 000
Campground	$397 000
Other Major Facilities (when present)	
Capital Value Per Site:	$3230
Revenue - Total:	$169 000
Registration	$130 050
Other (when present)	$39 000
Expenses - Total:	$122 600
Property Taxes	$4 500
Wages and Benefits	$50 000
Interest and Bank Charges	$18 000
Insurance	
Advertising/Memberships	$3 000
Utilities	$7 000
Vehicle Related	$2 500
Repair and Maintenance	$5 000
Supplies	$9 000
Fees - Legal, Survey, Accounting	$1 500
Lease Expenses	$20 000
Profit: (Before return on investment and income tax)	$47 000

Adapted from: Alberta Department of Tourism, 1988
Alberta's Private Campground Industry

CABIN RESORT: Projected Capital Costs
(Schedule 2)

Buildings:	10 Cabins	16 Cabins
Landscaping	$40 000	$64 000
Cabin Construction - 500 Sq. Ft. @ $85.00	$425 000	$680 000
Manager's Residence & Admin. 1 000 Sq. Ft.	$85 000	$85 000
Laundromat 333 - 500 Sq. Ft.	$28 300	$42 500
Playground	$10 000	$10 000
Total Buildings:	$588 300	$881 500
Less Provincial Share - 40%	$235 300	$352 600
Net Buildings:	$353 000	$528 900
Furnishings and Equipment		
Furnishings for Cabins - $7 500 Each	$75 000	$120 000
Laundromat Equipment	$6 000	$9 600
Cleaning, Washing, Mowing Equip.	$6 700	$6 700
Total Furnishings & Equipment:	$87 700	$136 300
Net Capital Investment:	**$440 700**	**$665 200**

CABIN RESORT: Schedule of Projected Cabin Rentals
(Schedule 1)

	10 Cabins	16 Cabins
Peak Season:		
60 nights @ 90% @ $80.00	**$43 200**	**$69 120**
Shoulder Season:		
75 nights @ 60% @ $65.00	$29 250	$46 800
Offseason Weekends:		
56 nights @ 90% @ $50.00	$75 200	$40 320
Offseason Weekdays:		
174 nights @ 20% @ $50.00	$17 400	$27 840
Total Cabin Rentals	$115 050	$184 080

CABIN RESORT: Projected Statement of Income
First Year of Operations

	Option 1: 10 Cabins	*Option 2: 16 Cabins*
Cabin Rentals - Schedule 1	$115 050	$184 080
Direct Expenses:		
Insurance	$4 000	$6 400
Laundry	$2 900	$4 600
Repairs and Maintenance	$3 000	$4 800
Wages and Benefits	$30 000	$38 000
Telephones and Utilities	$19 300	$30 900
Total Direct Expenses:	$59 200	$84 700
Contribution to Overhead:	$55 850	$99 380
Overhead Expenses:		
Advertising and Promotion - (5% of Revenue)	$5 800	$9 200
Licenses, Subscriptions and Fees	$1 000	$1 000
Professional Fees	$2 000	$2 500
Depreciation:		
Buildings (Over 40 Years)	$8 800	$13 200
Furnishings & Equipment (Over 5 Years)	$17 500	$27 300
Total Overhead Expenses:	$35 100	$53 200
Net Profit Before Income Tax:	$20 750	$46 180
Net Capital Investment - Schedule 2	$440 700	$665 200
Return on Investment (ROI):	5%	7%

APPENDIX

6. ASSESSMENT OF RESORT SITES

RATINGS OF POTENTIAL LAKESIDE RESORT DEVELOPMENT SITES

LOCATION	Beach Quality (10)	Services (8)	Scenic Quality (6)	Developable Land (4)	Market Proximity (3)	TOTAL
Devonshire	10	7	6	4	3	30
Shaw's Point	8	4	5	2	1	20
Oilman's Creek	9	2	5	2	1	19
Marten River	8	3	3	3	1	18
Canyon Creek	4	6	2	1	3	16
Joussard	5	5	1	2	2	15